

JPRS-SEA-85-167

31 October 1985

## **Southeast Asia Report**



**FOREIGN BROADCAST INFORMATION SERVICE**

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

31 October 1985

## SOUTHEAST ASIA REPORT

## CONTENTS

## INDONESIA

Recurrence of PPP Infighting Viewed (SINAR HARAPAN, 31 Aug 85) .....	1
Military Academy Inaugurated (HARIAN UMUM AB, 31 Aug 85) .....	3
Subroto on Oil, Liquid Natural Gas Exports to Japan (PELITA, 31 Aug 85) .....	4

## LAOS

Road, Bridge Construction in Khammouan: Trade With SRV (S. Donsavang; PASASON, 29 Aug 85) .....	6
Briefs	
Louang Namtha Lumber Production	7
Khammouan Road Work	7
UN-Aided Hydropower Repair, Modernization	7
Vientiane District LPRP Membership	8

## MALAYSIA

Multi-Nationals Unfairly Attacked: Musa (Khalid Jaafer; NEW STRAITS TIMES, 25 Sep 85) .....	9
Three New Parties Seek Registration (NEW STRAITS TIMES, 25 Sep 85) .....	11
Fishermen Reject Fishing Pact (NEW STRAITS TIMES, 25 Sep 85) .....	12
Mahathir's Speech to Youth, Womens Meetings (NEW STRAITS TIMES, 27 Sep 85) .....	13

Australia To Buy More Palm Oil (Hardev Kaur; BUSINESS TIMES, 27 Sep 85) .....	17
--	----

## PHILIPPINES

Opposition Analysis of U.S. 'Pressures' on Marcos (Marlen Ronquillo; VISAYAN HERALD, 20 Sep 85) .....	18
WE FORUM Poll Majority Wants Marcos Out (WE FORUM, 10-16 Sep 85) .....	21
'Moderate' Youth Group Wishes Marcos 'Unhappy Birthday' (PEOPLE'S DAILY FORUM, 11 Sep 85) .....	24
Marcos Asks Opposition Input on Constitution, Snap Poll (PEOPLE'S DAILY FORUM, 13 Sep 85) .....	26
Sulu Leaders Call for Speedy Resolution of Election Protest (Jam Maridul; ANG PAHAYAGANG MALAYA, 9 Oct 85) .....	28
Cebu Bayan Chapter Press Conference Reported (VISAYAN HERALD, 25 Sep 85) .....	30
Not Against American People	30
Not Tools of Communism, by Letty Suico	32
Probe of Cebu Massacre Continues (BUSINESS DAY, 16 Oct 85) .....	34
Evidence of NPA 'Buildup' in Cebu Barangay (SUN STAR DAILY, 20 Sep 85) .....	35
Cebu Church Alliance Hits Marcos Regime AFP, on Abuses (VISAYAN HERALD, 19 Sep 85) .....	37
Manifesto Published Demanding U.S. Nationality for Filipinos (SAN PEDRO EXPRESS, 23 Sep 85) .....	38
Peso Steadily Depreciating Against U.S. Dollar (Raul Marcelo; PHILIPPINES DAILY EXPRESS, 15 Oct 85) ....	40
Economic Indicators on Peso's Falling Purchasing Power (BUSINESS DAY, 16 Oct 85) .....	42
Paper Reports Dumping of U.S. Rice Surplus (ANG PAHAYAGANG MALAYA, 4 Oct 85) .....	44
Investigator Discusses Probe of Journalists Deaths (AFP, 17 Oct 85) .....	45
Wellington Radio Views Bayan, Anti-Americanism (Wellington Overseas Service, 17 Oct 85) .....	47



VERITAS Criticizes Prosecutor, Aquino Case Update (AFP, 17 Oct 85) .....	49
Opposition Urges Alliance With Left, Communists (Bonifacio H. Gillego; MR. & MS., 30 Aug-5 Sep 85) ....	51
Weekly Reports Hamletting in Abra Province (VERITAS, 8 Sep 85) .....	55
VERITAS Reports 'Bleak' Business Analysis (VERITAS, 8 Sep 85) .....	56
Article Describes Navy Officer's NPA Captivity, Release (Fe. B. Zamora; MR. & MS., 13-19 Sep 85) .....	57
Weekly Reports Yellow, Red Team Up in Davao March (Aurelio A. Pena; MR. & MS., 13-19 Sep 85) .....	60
Opposition's Mitra Discusses Ties With Eduardo Cojuangco (Ramon Mitra Interview; MR. & MS., 13-19 Sep 85) .....	62
'Government of Reaction' Criticized (Editorial; VERITAS, 29 Sep 85) .....	76
VERITAS Hits Marcos' Lack of Initiative in Reconciliation (Editorial; VERITAS, 29 Sep 85) .....	78
Paper Warns Negros Relief Only 'Temporary' (VERITAS, 29 Sep 85) .....	79
General Echeverria 'Message' on 'Reformist Government' (Jaime C. Echeverria; PEOPLE'S DAILY FORUM, 11 Sep 85)	81
Editorial Lampoons First Family 'Concern for Masses' (WE FORUM, 10-16 Sep 85) .....	82
Adversary Union Leaders Assess Labor, Political Scene (Annabelle S. Cueva; WE FORUM, 10-16 Sep 85) .....	84
Sison Assesses Current Political Situation (Jose Ma Sison Interview; WE FORUM, 17-23 Sep 85) .....	90
NDF's Zumel on KBL Aid, Political Scene (Antonio Zumel Interview; VISAYAN HERALD, 25 Sep 85)	94
Former Visayas CPP Leader Asks Local Bayan Head To Debate (SUN STAR DAILY, 22 Sep 85) .....	97
Industrial Survey Notes Depressed Market Conditions (Julia Del Castillo; BUSINESS DAY, 15 Oct 85) .....	98

Economic Indicators on Public Internal Debt (BUSINESS DAY, 15 Oct 85) .....	100
Rescheduling of Debts Complicates State Banks' Merger (Conrado R. Banal; BUSINESS DAY, 15 Oct 85) .....	101
Small-Scale Industries Receive Loan Assistance (BULLETIN TODAY, 16 Oct 85) .....	103
IMF Credit Release Depends on Changes in Tax System (Rigoberto D. Tiglaog; BUSINESS DAY, 16 Oct 85) .....	104
Columnist To Form Non-Presidential Candidates' Movement (Francisco S. Tatad; BUSINESS DAY, 16 Oct 85) .....	106
Former Supreme Court Justices Fight Presidential Decrees (BUSINESS DAY, 16 Oct 85) .....	108
Official on Financing of Bataan Nuclear Plant (BULLETIN TODAY, 16 Oct 85) .....	110
Export Receipt Abolition Causes Revenue Loss (METRO MANILA TIMES, 16 Oct 85) .....	112
Editorial Hits Ramos' Reaction to Escalante Killings (Editorial; MINDANAO DAILY MIRROR, 26 Sep 85) .....	114
Davao Editorial on Escalating Violence (Editorial; PEOPLE'S DAILY FORUM, 27 Sep 85) .....	115
Editorial on Statistics for Violent Crime (ANG PAHAYAGANG MALAYA, 6 Oct 85) .....	116
Editorial Questions Marcos Forecast of Economic Recovery (MINDANAO DAILY MIRROR, 1 Oct 85) .....	118
Economic Uncertainty Said To Cause Low Investment (Rosa Ocampo; ANG PAHAYAGANG MALAYA, 7 Oct 85) .....	119
Government Reviews Trade Liberalization Program (Rosa Ocampo; ANG PAHAYAGANG MALAYA, 9 Oct 85) .....	121
Continued Population Growth Poses Threat (Eric S. Caruncho; MINDANAO DAILY MIRROR, 4 Oct 85) .....	123
Fisheries Agency Obtains European Financing (METRO MANILA TIMES, 15 Oct 85) .....	125
Serious Problems in Bicol Sugar Industry (Gabriel Hidalgo Bordado; ANG PAHAYAGANG MALAYA, 10 Oct 85) .....	127

## Briefs

Columnist on Threatened U.S. Pullout	129
Marcos Optimistic About Economic Recovery	129
Civil Trial for Escalante Incident	129
Ramos on Counterinsurgency Efforts	130
Escalante Case 'Meddling' Hit	130
Another Acquittal Asked in Aquino Case	130
Elation for Jenkins Bill	130
Echeverria 'Reformist Government Message'	131

## THAILAND

Thai Nation Party Leadership Dispute Analyzed (SIAM RAT SAPDA WICHAN, 8 Sep 85) .....	132
RTAF Vice Chiefs of Staff, 1st King's Guard Commander Profiled (Nanthana; DAILY NEWS, 9 Sep 85) .....	135
New Deputy Commander of 3rd Army Profiled (Nanthana; DAILY NEWS, 16 Sep 85) .....	139
New TNP Korat MP Discusses Economic Issues, Opposition (LAK THAI, 29 Aug 85) .....	141
Family Feud, Thai Nation Party Problems Said To Be Linked (WIWAT, 10-16 Sep 85) .....	147
Chawalit Views on Military Involvement in Politics, Economy (CHAT ATHIPATAI, 7-13 Sep 85) .....	150

## WESTERN SAMOA

Tour of Mururoa Atom Site Rejected (THE NEW ZEALAND HERALD, 17 Sep 85) .....	153
---	-----

## CAMBODIA

### COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

ANS Operation in Siem Reap, KPNLF Slow-Down Noted (Jacques Bekaert; BANGKOK POST, 26 Sep 85) .....	154
Sponsorship of KPNLF Guerrillas (BANGKOK POST, 27 Sep 85) .....	156

### PEOPLE'S REPUBLIC OF KAMPUCHEA

Union Official Mourns Death of SRV Counterpart (SPK, 10 Oct 85) .....	157
--	-----

Chea Sim Interviewed on Revolution's Achievements (SPK, 10 Oct 85) .....	158
KPRAF Successes, Thai Violations Noted (Phnom Penh Domestic Service, 10 Oct 85) .....	160
Heng Samrin Receives Cuban Envoy's Credentials (SPK, 11 Oct 85) .....	161
Editorial Marks Fifth Party Congress (Phnom Penh Domestic Service, 12 Oct 85) .....	162
Party Delegations Visit Exhibition in Phnom Penh (Phnom Penh Domestic Service, 12 Oct 85) .....	164
Leaders Thank PRK Counterparts for Greetings (Phnom Penh Domestic Service, 8 Oct 85) .....	165
Briefs Hun Sen Sympathizes With SRV Victims .....	166

#### VIETNAM

##### MILITARY AFFAIRS AND PUBLIC SECURITY

Implementation of Military Obligation Law Reviewed (Phan Trung Hoai; LUAT HOC, Jan-Mar 85) .....	167
---	-----

##### INTERNATIONAL RELATIONS, TRADE AND AID

Leaders Greet PDRY Leaders on National Day (VNA, 14 Oct 85) .....	173
SRV's UN Representative on Self-Determination (VNA, 16 Oct 85) .....	174
SRV Delegation Attends CEMA Aviation Conference (Hanoi Domestic Service, 9 Oct 85) .....	175
Law of Sea Terminology Explained (LUAT HOC, Jan-Mar 85) .....	176
Ministerial Circular on Import-Export Permits (NGOAI THUONG, 20 Jul 85) .....	179

##### PARTY ACTIVITIES AND GOVERNMENT

NHAN DAN Calls for More Workers as Party Members (Editorial; NHAN DAN, 30 Aug 85) .....	182
--	-----

Council of State Promulgates Amnesty Resolution (NHAN DAN, 1 Sep 85) .....	185
---	-----

#### AGRICULTURE

Provincial Regulations on Land Compensation Promulgated (HA NAM NINH; 7 Jun 85) .....	187
--	-----

Agriculture Ministry, UN Groups Honor Food Day (VNA, 16 Oct 85) .....	191
--	-----

Briefs NHAN DAN on Agriculture	193
-----------------------------------	-----



INDONESIA

RECURRENCE OF PPP INFIGHTING VIEWED

Jakarta SINAR HARAPAN in Indonesian 31 Aug 85 pp 1, 12

[Text] Sources of confusion continue within the body of the United Development Party [PPP] because neither Naro nor Soedardji have fulfilled all the agreements made June 17, 1985 in front of Minister of Internal Affairs Supardjo Rustam.

"SH" sources said Friday that one agreement reached between the two quarreling parties which needs to be implemented is the reorganization within the PPP's Central Executive Council. Naro as the PPP General Chairman stated in writing to the Mendagri as the developer of domestic politics that he is prepared to reorganize.

But the term "reorganization" is defined differently by Naro and Soedardji. Naro interprets it as the rehabilitation of Syarifuddin Harahap and T.B. Achda along with stating a declaration of the permanent leadership arrangement of the United Development faction in Parliament. Previously Harahap and Achda were "recalled" by Naro.

At the same time Soedardji defines "reorganization" in the form of removing certain persons within the DPP PPP.

The two quarreling parties have met numerous times without agreement on a realization of "DPP reorganization." Soedardji brought forth two concepts from Mahbub Djunaedi and Syarifuddin Harahap. Basically H.J. Naro would no longer be General Chairman but only a member of a Presidium which would have five leadership members.

At the same time Naro submitted a concept which essentially was not reorganization but a strengthening of his position as General Chairman. This concept was made by Hartono Mardjono, the United Development Faction spokesman during discussion of the Political Division Five Draft Laws in Parliament which were completed two months ago.

Argument

Only after advice from the Mendagri was there a meeting to unite the two concepts of the two parties. The meeting was held August 13, 1985 at the DPP PPP office on Diponegoro Street, Central Jakarta. Outside of expectations, the meeting became an argument and a personal argument for each without a calm discussion on an agreement for the DPP reorganization.



The meeting had the opportunity for discussion and later Naro invited Soedardji to enter the office of the General Chairman. The dialogue between the two quarreling parties was reported to the Mendagri by Soedardji in front of Naro. The meeting with the Mendagri was attended by Naro, Mardinsyah and Imam Sofwan with Soedardji, Zamroni and Ismail Mokobombang from the side of Soedardji. At that time the Mendagri was accompanied by the Department of Internal Affairs Secretary General, Aswis Marmo. Soedardji said that he had been threatened by Naro during their private meeting. "Mr. Dardji, what do you actually want? Choose where you would ask to stop or I will break you. Look around, there are all my people. It will be difficult for you later," so went Soedardji's statement at the meeting of the three.

The meeting did not result in a new agreement because Naro felt that a meeting to reorganize the DPP was in essence to remove the DPP General Chairman. Soedardji also reported about the argument which occurred at the DPP office the day before the meeting of the three with the Mendagri had occurred because Ridwan Saidi (Naro's faction) had a personal argument with Anwar Nurris and Ismail Mokobombang.

#### General Election

It is difficult for the two parties to meet because it is not only a difference in principle in political outlook but has also gone in the direction of personal feeling, according to "SH" sources.

Of course both Naro and Soedardji have agreed to reorganize or strengthen the DPP. What remains is its realization. Along with naming several DPP figures who are termed as followers of the fundamentalist position, "SH" sources said that no matter how the DPP is reorganized there is no longer agreement if they wish to be in running condition facing the coming 1987 general election. The difference in principle also occurs between the two parties concerning the acceptance along with the explanation of the idea of one principle and the problem of the symbol of the party.

12836

CSO: 4213/333

INDONESIA

MILITARY ACADEMY INAUGURATED

Jakarta HARIAN UMUM AB in Indonesian 31 Aug 85 pp 1, 12

[Text] Chief of Staff of the Indonesian Army, General Rudini, on Thursday inaugurated the Republic of Indonesia Armed Forces Army Academy as the Military Academy [AKMIL], Magelang, which is hoped in the future will be more effective and efficient along with achieving results which are maximum and better in the coming implementation of its function.

With this inauguration AKMIL Magelang officially forms a Central Implementation Board at the level of Army Headquarters. Its function is to carry out training of Volunteer Officers, Army Branch at the academy level. Other duties include basic soldier training, instruction integrating chandradimuka [expansion unknown] for all AKABRI cadets, carrying out compulsory military training and special branch training.

For the AKMIL reorganization the Governor and Deputy Governor as elements of leadership were assisted by three directors. These were, respectively, the Director of Research and Development, the Director of Educational Development, and the Director of Institutional Development.

Jiwa Korsa [expansion unknown]

At that time General Rudini stressed among others that there is a need for the role of jiwa korsa and creation of ABRI harmony along with ABRI-people unity.

In addition to that the AKMIL was expanded to formulate a curriculum system in accordance with changes in length of instruction and strategy concepts along with other important concepts embraced by TNI-ABRI.

Concerning cooperation with the Academy Angkatan and the Republic of Indonesia State Police, educational institutes and other universities, it is hoped that it will be increased and developed as appropriate.

For cadets, the former Chief of Staff received a report on preparations for the implementation of reorganization from the AKMIL Governor, Army Major General Untung Sridadi which stressed increasing and stabilizing disciplinary spirit and fighting spirit along with practical training in the field as much as possible.

Among those attending the inauguration were Assisant for Operations Chief of Staff TNI Major General Sahala Rajagukguk and Commander of Military Region IV/Diponegoro TNI Major General Harsudiono Hartas.

INDONESIA

SUBROTO ON OIL, LIQUID NATURAL GAS EXPORTS TO JAPAN

Jakarta PELITA in Indonesian 31 Aug 85 pp 1, 12

[Text] Indonesia is not really forcing itself to increase oil exports primarily to Japan, because it has to be recognized that the use of oil in that nation is currently declining because that nation is now using other kinds of energy as a replacement for oil.

This was stated by the Minister of Mining and Energy, Subroto, to journalists at the ceremony of the signing of contracts for products between Pertamina and Sceptre Resources Bunyu at the Department of Mining and Energy auditorium on Friday.

According to Subroto, what is important for the next step is that Indonesia make efforts to take other kinds of energy to Japan, such as liquid petroleum gas, naphtha, liquid natural gas [LNG] and so on, along with increasing exports of other kinds of energy to the above nation which are experiencing declines.

When questioned, Subroto said Indonesia hopes oil exports to Japan will continue with long-term contracts. "We have to be realistic because of the situation of the world economy which is currently experiencing weakness. Even the economic situation in the United States since 1984 has experienced a decline as a result of the world recession," said Subroto.

Indonesia as a nation embracing an open economic system will itself suffer a great influence as a result of the above mentioned recession, he added.

When questioned further Minister Subroto said that during the coming meeting of the Organization of Petroleum Exporting Countries, Indonesia will not propose an increase in quotas (restrictions) on the export of oil if the oil market situation is still as weak as it is now. If the quota is raised the price of oil may slip further, he said.

During the coming OPEC meeting there is a possibility member nations will ask that oil production be reviewed. But looking at the current oil market situation, Subroto asks if it is possible to increase production.

The coming OPEC meeting will possibly be held in Vienna, but there is not yet information concerning the date and month because of the problem of hotels and so on.

## Problems of LNG Export

Asked about the export of LNG, Minister Subroto said the LNG industry represents a great investment and because of that Indonesia must be able to reach markets while simultaneously safeguarding the market.

For this Indonesia as the world's largest supplier of LNG must be able to fight for markets, such as to Japan and others, not to the point of competition with other supplying nations, such as from Australia, Canada and the like.

"We have to be able to show that Indonesia as the world's largest LNG supplier and the most knowledgeable about LNG problems along with the supply, can be relied upon. The proof is that Indonesia now has 10 LNG trains which other nations do not yet have," said Subroto with an optimistic tone.

As is known, Indonesia owns two large LNG fields; that is Arun in the Special Region of Aceh and Bontang in East Kalimantan. At the end of 1986 the Arun LNG field will ship 2 million metric tons of LNG to South Korea each year in accordance with the purchase contract agreement which was signed some time ago in Jakarta, with the contract valid for a 20 year period.

To the questions of the INDONESIAN NATIONAL NEWS AGENCY, Subroto said plans to export Indonesian LNG to Taiwan are firm. At the moment the preparations for a contract are being discussed, but there is not yet clarification concerning a definite time for the above contract.

12836

CSO: 4213/333

LAOS

ROAD, BRIDGE CONSTRUCTION IN KHAMMOUAN: TRADE WITH SRV

Vientiane PASASON in Lao 29 Aug 85 p 2

[Article by S Donsavang: "A Day at the Nam Gnom Construction Project"]

[Excerpt] Comrade Bounmivan Sihanabounma, who is responsible for the construction techniques, tolde me that the Nam Gnom construction started on 1 January. The bridge is a Bailey M3 64.5 meters long and 6 meters wide. It has 2 central poles and 2 poles on each side of the bridge ends, and the concrete amounts to a total of 235 cubic meters. The creativity and construction money came from our own company. In response to a question concerning the problems in the construction, Comrade Bounmivan said that first of all in the rainy season there were difficulties in transporting materials and in construction. Second, there was a shortage of materials and vehicles. They had to go to Se Thamouak (Route 9) to get them, and this delayed the construction. Thrid, most of the workers were used only to holding the steering wheel of a car, and now they were bridge construction workers. This has been a problem also.

In all these problems we have mobilized the ideology of our workers so they will become patient and enthusiastic, and quickly complete the bridge. This bridge is an important part of Route 8B which goes from Gnommalat in Khamkeut District. When it is finished it will be able to carry 30 tons. The construction is now almost 100 percent completed. All they have to do is to put lumber on the bridge surface and fill in both ends of the bridge. It will definitely be open to the public not later than this August.

Mr Ka Ngammani, chief who coordiantes the construction, told me more details. Besides constructing the bridge across Nam Gnom, they were also responsible for the bridge and Route 12 construction from the intersection of Gnommalat through Route 8B, and for constructing a road from Bo Cho to Ban Thong, Luang Prabang District, over 20 km.

When all of this work is completed, besides making it easier for the people of ethnic groups to go back and forth to see each other in this region, it will also become an important lifeline for cutting logs and obtaining resin on the Na Kai Plateau, as well as a gateway for transporting exports and imports by the sea in Nghe Tinh Province of the SRV in the future.



LAOS

## BRIEFS

**LOUANG NAMTHA LUMBER PRODUCTION**--In the first half of this year the cadres and workers of the State Sawmill Enterprise No 1 under the Industry, Handicrafts, and Forestry Section in Louang Namtha Province were able to score achievements according to the expected plan. They cut 500 cubic meters of logs valued at 605,000 kip, and produced over 154,700 cubic meters of lumber valued at over 1,734,900 kip. [Text] [Vientiane PASASON in Lao 19 Aug 85 p 1] 9884

**KHAMMOUAN ROAD WORK**--In past years Khammouan Province has revived and improved various roads between provinces and districts, including cantons and production bases. For example, they successfully revived and improved a road 78 km long from Mahasai District to Naphao Canton, repaired a road 107 km long from Gnommalat District to Boalapha District, and successfully repaired Route 8 for 75 km from Gnommalat District to Km 20. In addition, the provincial communications, transportation, and post section focused on repairing strategic routes, e.g., Route 12 to Route 13 in their own area of responsibility, in order to guarantee communications throughout the season. Eighty-six broken-down old bridges were repaired, and 3 additional bridges were built. [Excerpt] [Vientiane PASASON in Lao 28 Aug 85 pp 1, 4] 9884

**UN-AIDED HYDROPOWER REPAIR, MODERNIZATION**--As a car was taking us from Luang Prabang toward the dam Comrade Thongvan, a high-level engineer and also assistant chief of the Se Labam-Nab Dong project, explained many things about the difficulties and problems in repairing [the hydropower plant.] [When we reached the plant] Comrade Thongvan brought us to see the reservoir behind the dam. The Nam Dong hydropower plant is a small dam with a (Pennton system). The crest of the dam is far and 135 meters above the generator house. The reservoir can hold only 21,000 cubic meters. Since the water comes from ditches and rains, production declines greatly in the dry season. There are three generators which can produce 320 kWh. When the nation was liberated there are more people in Luang Prabang who are the owners of the country who use electricity. Because the machines were old and worn out, there was not enough electricity to meet the demand. Thus, the government studied the situation and looked for money to repair and find spare parts for all three generators. In 1982 they received a UN grant for repairing and upgrading the generators. On 14 February 85 they started major repairs of the electric generators at the Nam Dong hydropower plant, and now 20 percent of the plan has been completed. Some have already been completed 100 percent, for example, equipment storage, housing for workers, and a cafeteria. Repairs to the Nam Dong Hydropower plant are expected to be 100 percent completed by the end of



September 1985. After this has been done they will repair the generators in the Se Labam hydropower plant next, which is part of the same project.  
[Excerpts] [Vientiane PASASON in Lao 28 Aug 85 p 2] 9884

VIENTIANE DISTRICT LPRP MEMBERSHIP--On 22 August the first congress of the Chanthabouli District Party Committee was gloriously and successfully closed, after having been held for 3 days. There were 55 regular members who attended, of which 10 were women. They represented 76 party members throughout the district. [Excerpt] [Vientiane PASASON in Lao 24 Aug 85 p 1] 9884

CSO: 4206/182

MALAYSIA

MULTI-NATIONALS UNFAIRLY ATTACKED: MUSA

Kuala Lumpur NEW STRAITS TIMES 25 Sep 85 pp 1, 24

[Article by Khalid Jaafar]

[Text]

MULTINATIONAL companies found a champion yesterday in Deputy Prime Minister Datuk Musa Hitam. He believes they have been the subject of unfair criticisms in various countries.

Datuk Musa said "every negative appellation, designed to present multinationals as being totally negative forces within economic environment, is used when examining multinationals."

He regretted that foreign companies have been condemned as economic ogres, ruthlessly exploiting the poor unemployed and that these condemnations have been then repeated and reproduced by the media or taken up by oppositionists.

Insofar as Malaysia is concerned, multinationals have provided employment opportunities for Malaysians, created net foreign exchange earnings for the economy and, to a certain extent, encouraged the establishment of ancillary and supporting industries.

He reminded critics that Malaysia has emerged as the world's leading exporter of electronic semiconductors due to the inflow of foreign investors, both multinationals and non-multinationals, who have set

up projects within various free trade zones (FTZs).

Opening a seminar yesterday on *Industrialisation in Asean Countries: Its Social Dimension*, Datuk Musa said the operation of multinationals in various countries have become one of the popular "hobby horses" of critics.

He said Malaysia requires a continuous inflow of foreign investment both from multinationals and non-multinationals to create new jobs and reduce severe unemployment and underemployment in rural areas.

"The people in the rural areas may or may not have electricity or running water and may very often depend on wells for their water supply and the padi fields and rivers for their toilets and bathing places.

"Into this placid, rural environment came the multinationals invited by the government to provide employment for the people. Factories are set up with very modern facilities using the latest equipment and manufacturing products that border on space era technology," he said.

The people have eagerly flocked towards these

factories for employment opportunities that helped pull them out of the vicious cycle of poverty that rural environment can sometimes engender, he added.

In inviting the multinationals, the government had to take into account the difficulties faced by the unemployed, families with no income or insufficient income and individuals with no stake in the country and who desperately need a source of livelihood.

Datuk Musa stressed that he was not a blind defender of multinationals and noted that they do have shortcomings which could be criticised in many respects.

When Malaysia launched its industrial development programme in the late 1950s with the introduction of pioneer status legislation, the import substitution drive undertaken by the nation at that time till 1970, created 29,700 employment opportunities.

In the 14 years since the government launched its drive for export-oriented industries which required the creation of various free trade zones, manufacturers in FTZs alone employed approximately 74,800 Malaysians.

Since the economy is dependent to a large extent on the inflow of foreign investments the government has to create a conducive environment for labour, capital and entrepreneurs to come together for profitable operations.

Referring to the theme of the seminar, Datuk Musa said with the exception of Singapore, all the Asean economies will face a singular problem — inflow of industries into a non-urban, rural environment.

This will inevitably lead to a future shock situation for the workers — almost like time travel, making a daily 50-year

leap from their backward environment into brightly lit, highly sophisticated modern factories.

He hoped participants will look into the impact of this development and also address themselves to another subject of critical importance — the decline of human values.

There seems to be a law, almost akin to the law of gravity, that seems to cause a decline in human values when a nation begins to modernise or industrialise."

In Malaysia, the government is attempting to counter this decline by introducing moral lessons or human value programmes in schools.

CSO: 4200/91

MALAYSIA

THREE NEW PARTIES SEEK REGISTRATION

Kuala Lumpur NEW STRAITS TIMES 25 Sep 85 p 3

[Text]

**KUALA LUMPUR.** Tues. — Three applications have been made to register political parties. One of them is led by former MIC vice-president V. Govindaraj, the other by a unionist while the third is a Punjabi-based party.

Deputy Prime Minister and Home Affairs Minister Datuk Musa Hitam told reporters this after opening an Asean seminar on industrialisation.

The applications were in various stages of processing. Some changes to the constitutions of the proposed parties were deemed necessary to conform with the law.

"The three new parties pose no political threat to the ruling Barisan Nasional. The emergence of these political elements is not a new phenomenon in the country."

When asked about the possible motives for the current developments, he said: "When election bells start to ring, there will be people who get ideas of becoming *Yang Berhormat*. It does not necessarily reflect a mass dissatisfaction with the present political leadership.

### Principles

"We cannot please everyone and we never claimed to be super-successful politicians who are 100 per cent perfect."

"The Government will always facilitate the formation of any political party except those wanting to topple the Government by force like the Malayan Communist Party, or parties that were based on non-democratic principles", he said.

The Registrar of Societies has received the full lists of office bearers for the proposed parties.

Datuk Musa said expelled MIC vice-president V. Govindaraj has applied to form a party that "wishes to represent the Indian community" but was as yet unnamed as the principals were still undecided as to what to call the party.

Ceupacs president Ahmad Nor was named deputy president and a former Customs officer known as Zainuddin the secretary-general of the proposed Parti Nasionalis Malaysia.

The Punjabi party was to be led by a "Mr Singh", he said. He could not disclose any details of the party.

The three parties were the only ones actively pursuing registration.

CSO: 4200/91

MALAYSIA

## FISHERMEN REJECT FISHING PACT

Kuala Lumpur NEW STRAITS TIMES 25 Sep 85 p 4

[Text]

KUALA TERENGGANU, Tues. — Most fishermen object to the Government's plan to sign a deep-sea fishing agreement with Thailand.

"Most of the fishermen are not in favour of the Government's move," the chairman of the Kuala Terengganu Selatan Fishermen's Association, Encik Hassan Ismail, said today.

The fishermen may resort to nation-wide demonstrations if the pact is signed.

### Intruders

The decision was taken by representatives of fishermen's associations at a meeting in Kuala Lumpur recently.

The fishermen's representatives were in Kuala Lumpur attending the four-day seminar in deep-sea fishing organised by the Malaysian Fisheries Development Board (LKIM) and Universiti Pertanian Malaysia which ended last Friday.

The objections to the proposed joint-venture came from representa-

tives from Kelantan, Johore, Kedah, Perlis and Terengganu while representatives from other States had pledged their support to back up their colleagues.

Encik Hassan said the fishermen associations urged the Government to give them another five years to acquire sufficient skills in deep-sea fishing without having to learn from the Thais.

"If at the end of five years our achievement is still not up to expectation, the Government can sign whatever agreements it wants with anybody it likes."

But the authorities must intensify patrols to prevent foreign vessels from intruding into the Exclusive Economic Zone (EEZ) and improve the current fish marketing system.

Encik Hassan was confident that with effective enforcement measures and an efficient marketing system, Malaysian fishermen would be able to acquire sufficient technological knowledge without foreign aid.

CSO: 4200/91

## MALAYSIA

## MAHATHIR'S SPEECH TO YOUTH, WOMENS MEETINGS

Kuala Lumpur NEW STRAITS TIMES 27 Sep 85 p 12

[Text]

THIRTY-nine years ago Umno was born to fight colonialism, win freedom for the nation, restore the leadership of the Malay race and revive the glory of Islam. Umno was created for Islam, for the people and this cherished land.

Since 1946 to this day, Umno has been the symbol of the political strength and pre-eminence of the Malays. This was the result of the challenge thrown at the Malays by the late Datuk Onn Jaffar, that as long as they were divided in politics, as long as Malay politics remained provincial, they could never rise as a brave and powerful political force in this country.

That is why we have always urged unity and the spirit of brotherhood within the party. And that is also why the late Datuk Onn persistently reminded Umno members who truly loved the people, God and nation to put the interests of the public before their own.

Thus every Umno member must remind the whole Malay race that only Umno is able to lead the political struggle of the Malays in this country, as Islam is the one true path for the faithful, as the Kaabah is the universal direction the Muslims face when in prayer.

## Struggle

This party practises universal moral principles besides striving for justice, tolerance and moderation. There is no replacement for Umno. No alternative exists as the font of the Malay struggle in this country.

Therefore, it is incumbent upon us to remind ourselves, while we are given the mandate to aid the Umno president, of the philosophy of our party's struggle as we protect the interests of the majority, whether they be Umno members, the Malay people or the citizens of Malaysia as a whole. This is significant since Umno, which had originally stood exclusively for the Malays, now is the life-force of the entire Malaysian community.

All in Umno, among the Malays and the people as a whole, must accept that it was the Umno struggle which made Malaysia an independent and sovereign nation. The young generation of Malays and Malaysians should take this as fact and be thankful that it has made their lives happier and more secure.

Umno struggles to protect the Malay race and the entire race of Malaysians. Umno continues the struggle to intensify the light of Islam. No one can deny this.

Since Merdeka Umno has been behind every plan for progress and every development policy to free the people, particularly the Malays themselves, from poverty. Umno has been the prime mover in bringing together the myriad ethnic descendants in this nation.

I hope the Malays in particular and Malaysians in general will not forget these deeds. The basis of agreement that became the settlement plan for the new nation must be comprehended because the formulation of that plan depended on the objective of equality, so wide were the disparities at the time.

The special allocations that have been branded as Malay privileges have actually been proven to have profited all the other races. Truly, only by the Malay community being on par with the other communities can the long-term stability for the well-being of the people of Malaysia be ensured.

## Traditions

I worry should self-claimed "champions" question this point, whence the racial unity that has begun to emerge as a result of the awareness, patience and tolerance of all parties will be to no avail: while the political harmony in the



Barisan Nasional itself will be threatened. Clearly we must resist these elements as best we can!

That is why the Umno leadership often urges and fosters in each Umno member, the young generation and all Malaysians, to build national endurance and their own political stamina. This is important if we wish to continue to realise our ambitions in the political struggle of the Malay race and the Malaysian race.

For the Malays, particularly those in Umno, we must be willing and able to uphold the Umno philosophy as we uphold the purity of Islam. Obviously no heaven or hell awaits those who support or betray the Umno struggle. Neither does Umno possess the holy revelation to make certain that its struggle is clean and effective.

Nevertheless, Umno has its own physical laws, traditions and ethos. Umno functions according to the values and morals within Malay institutional life. Our party's political will is pure.

True, not all of the Malay people in this country are in Umno. But all of them belong in Islam. Umno members and the Malays outside it believe in the one almighty Allah. We believe in the same Pillars of Islam and the Pillars of Faith. We follow a similar way of life. We recognise sin and the wrongs of body and mind. We are equally aware of what comes of good and evil in the hereafter.

So, if 39 years ago Umno and the entire Malay race so determinedly united in heart and mind into a Malay political force that eventually turned out the colonisers and revitalised Islam, then there should not be a willingness today to allow ourselves to be divided by politics. Neither should we allow the kind of power play that could drive us apart to the point

where we forget that united we stand, divided we fail.

It is now best for you all to work to gauge the performance of your two movements within the context of the Umno struggle, whilst looking for a way to avoid an even wider split within the Malay people.

You should measure again your fortitude in politics and the fortitude of the Malay people and the Malaysian people. Ask yourselves whether the campaign of which you are part of today is sincerely for the majority in Umno, the Malay race and Malaysian people or expressly for personal gain.

All of you must always fulfil the mandate accorded to you at the national, divisional and grassroots levels with the utmost responsibility. You should be brave enough to assess and analyse your leadership to make certain that the mandate granted in trust is not abused to the detriment of Umno, where the outcome would not merely alienate a few Umno members but cause a sizable section of the Malays and the general public to feel revulsion towards Umno.

You are the inheritors of the Umno struggle and the Malay struggle. We know that such an inheritance is not bound by the legalities of property.

Nevertheless several guidelines and campaign ethics are inscribed in the cultural and political institutions of the Malays. For instance, do not act like a champion of a cause if it is in conflict with the philosophy and conduct of the struggle that is so precious to Umno. Neither do we beat our chests like gladiators when we are far from expert in evaluating our sincerity, in the way we act as well as in the way we think and feel.

Should we find within the supreme Malay leadership today cowardice, abuse of power and extremism, I urge those to return to the starting-point in their struggle. Should there exist today Malay leaders who can be called stray politicians, to them I say look at the stars in the sky for the true path as shown by Allah. Every Malay leader and the Malay person must know that nobody can save the Malay race from all manners of division and disloyalty except the Malays themselves.

## Aspirations

If we really intend to safeguard the Malay race and the Malay struggle from division and disloyalty we must rid our political arena of the cowards, the deviants, the corrupt, extremists and opportunists. We do not want the likes of these in our campaign.

The struggle of the Malay race and Umno must be freed from the greedy and the power-hungry. We do not want these sorts because we do not want our party to be defective. We must destroy them for the sake of stability in Umno and in Malaysian politics.

Today Umno is a party of strength because it has solid roots. Our party represents every class within the Malay people, whether executive, entrepreneur, labourer, farmer or fisherman. The enthusiasm and support for Umno is found everywhere in the peninsula — from village to town, from hill to valley, coast to coast. Because of this, the fruits of our struggle should not only be enjoyed, but need to be highly valued by everyone in Umno and among the Malays no matter what their social status.

The benefits of the Umno struggle have to be acknowledged and prized by the people of all races in the country. We need to protect this goal because

if we grow lax, and more so if we fail to defend our aspirations, I fear Umno will lose its rural character, the Malay people will set themselves ever further apart from Umno, and all at once Umno will turn into an elitist organisation dependent for its survival on material factors, rather than Malay nationalistic awareness and the spirit of Malaysia.

We should not feel ashamed when I cite Umno's rural character or say Umno is a kampung party. I call Umno a village party because a large part of its branch network is in the villages. The villagers possess a vast enthusiasm for Umno and provide their exclusive support.

It is in the kampungs that the characteristics of Malay culture and political culture still flourish. Even as Umno today takes prides with a skyscraping headquarters building, I hope the concept, philosophy and form of the party struggle does not change from this village character but is maintained with progressive, dynamic and pragmatic traits.

This is the truth about the form of our party struggle. Whatever can be said in this regard, Umno's village character does not carry a reactionary connotation, does not mean something ancient, or backward.

Umno is a village party because this rural background had been responsible for the birth of a spirit of consensus, collective responsibility, goodwill, neighbourliness and brotherhood in the Umno struggle. More important, it is this village character that has bestowed upon Umno the spirit of sacrifice and community in the broadest sense.

It has been left to you to characterise the progress of Umno in the future. If today a large number among you campaign in ostentatious

wealth ala-elitist, then Umno will take on an image of wealth, detached from the people and a major portion of Umno support in the rural areas. If today you resolve to struggle in a corrupt fashion, then there shall be created leaders tainted by bribery and an Umno that is characterised by graft. If today you choose a mercenary style, then there will arrive leaders whose commitment and loyalty is reserved for the highest bidder.

I believe no one in Umno is willing to con-

template the options I have just laid out. Therefore, you must be watchful that the Umno struggle today is not accompanied by any faction liable to impair Umno's village image. This is one of the challenges in your struggle today, so that the future of Umno and the entire Malay race shall always be assured.

In this context, I congratulate the leadership of the Umno Youth movement and the Wanita Umno for their attentiveness toward the public good. The problems of corruption, poverty, social justice and the security of the community are now part of the campaign in both these wings of Umno.

## Independence

I am also proud that Umno Youth and Wanita today continue to struggle for humanitarian welfare, based on the ideal of the unity of the ummah, and national integration. May this struggle give rise to a future Umno leadership that is more effective and meaningful.

At the same time you should always remain steadfast in the moral principles and culture of the struggle of the Malay race. In fighting for social justice and wiping out corruption, let us not once sweep dust under

the rug. Keep off any attempt that could lead to deprivation. Let us not miscalculate. Do not join the struggle purely for intellectual satisfaction while the political success hoped for in the community is still far from won.

You should always remind yourselves that you are members of Umno, Malay, of the Islamic faith and make up a large segment of the Malaysian people who today are searching hard for a single identity and working hard to protect our national independence.

With your ingenuity, find the way to break the walls of enmity which today leave the Malay people faction-ridden and ever more divided.

In the name of the younger Malay generation, you must be the prime mover in building the bridges that would enjoin the whole Malay race shoulder-to-shoulder towards the goal of the struggle for our race and religion, until the Malay people truly arise as a courageous race, living in complete tolerance of the other races in this nation.

Exhort and recall to the entire Malay race that they have the same skin colour, face a single Mecca in prayer and shall together fall before heaven and hell on Judgment Day. Each Malay is brother to another whether in race or religion. We need to find the way of peace, so we may seek the blessing of Allah.

You all and the entire Malay people must bear in mind that the power attained by Umno today is not to be used to suppress any minority. This power is the primary resource in the defence of the Malay race and the Malaysian race. Thus, political power must not be an object of conflict whether within Umno, between Umno and the other components in the Barisan Nasional nor between Umno and another Malay party.

The political power of this country, the core of which is the power of Umno, can be compared to the ray of light glowing unity and prosperity upon all. We know worldly power is temporary and imperfect. But every Umno member, Malay and Malaysian must recognise the significance of this power in determining the good and the bad, and life and death of the Malay race, the religion of Islam and all the people. May happiness be brought to those in Umno, among the Malays and the people who are willing to comprehend this fact.

I stress this because there now exists a trend in Umno in which its political struggle is made the means for the pursuit of power for the sake of power. Although this "power per se" pattern is not wise, read, you must be cautious. You must be made aware of this. Never tolerate, lest you may sanction, such a trend.

Umno members, particularly the Youth and Wanita, need to note that the political power of the Malays, borne of the strength of Umno today, motivates the life of the national community.

This power of Umno's is always employed in the planning and carrying out of development plans for the community in general. This political power exists to heighten the honour of Islam and the unity of the ummah. It should be obvious to you that this power of the Malays is only sustained with the unity of the whole Malay race.

In reaching this political will, all in Umno and anyone else included as a member of the Malay race must possess a precise sense of direction and sense of purpose.

The chaos in the political campaign of the Malay people is the outcome of a lack of the sense of direction and purpose among the Malays themselves. This is in turn the result of power-mad

scrambling among the Malays, and political opportunists have pounced on this advantage to confuse the Malays with all kinds of deception.

Certainly it is painful for us to admit this. But this bitter taste will never go away should the young generation of Malays deny it and also refuse to find the sweetener. In the end the Malays themselves will perish!

Do not forget, Umno is the United Malay National Organisation whose motto is Unity, Allegiance, Service (Bersekutu, Bersetia, Berkhidmat). Ponder each word, one by one. Think of the attitudes, the acts and the responsibilities required from an understanding of those words. Apply them as the basis of encouragement as we embrace this pure and chaste struggle of ours.

This is your duty. Such is demanded by the party struggle. I pray for the removal of all obstacles that stand in the way of our struggle to achieve our aims.

MALAYSIA

AUSTRALIA TO BUY MORE PALM OIL

Kuala Lumpur BUSINESS TIMES 27 Sep 85 p 22

[Article by Hardev Kaur]

[Text]

AUSTRALIA will import more palm oil from Malaysia this year. The amount is expected to surpass the 1983 figure of 54,600 tonnes. Last year, it imported 41,000 tonnes.

Primary Industries Minister Datuk Leong Khee Seong said that palm oil is the major imported vegetable oil in Australia. He told a Press conference in Kuala Lumpur yesterday that Australia does not impose any import duty on Malaysian palm oil.

"I am particularly grateful to the Australian government for maintaining the duty free status for palm oil imports. With this status, consumers in Australia will continue to enjoy cheaper palm oil," he added.

Datuk Leong met Australian palm oil importers in Sydney on his way to Canberra to attend the ministerial meeting of the Association of Tin Producing Countries (ATPC).

He assured that Malaysia will continue to be a reliable supplier of the

commodity Malaysia, he told the Australians, had spared no efforts in research and development (R&D) to further boost production and quality. This is because Malaysia believes there is no substitute for good and sustained quality in increasing the competitiveness and marketability of its palm oil.

In addition to palm oil, Malaysia's palm kernel oil is increasingly gaining acceptance among consumers. It is a suitable substitute for coconut oil and other lauric oils.

"Australia should consider using palm kernel oil since it is a complete substitute for coconut oil and has always been cheaper than coconut oil," Datuk Leong said.

The Minister said that in addition to processed palm oil, a diversified range of palm oil products is available to suit even the most demanding manufacturer or consumer.

An offshoot of the palm oil industry is the oleochemical industry which will contribute to the

country's industrial programme. The industry is advancing steadily and Malaysia will be a reliable supplier of oleochemicals.

Datuk Leong noted that Australia's need for palm fatty acid had largely been met by Malaysia, but there was a discouraging development of a 10 per cent duty on the commodity. He urged the Australian government to reconsider this as it will facilitate greater access of palm fatty acid to Australia.

Datuk Leong said that Australia is also an important outlet for Malaysia's timber and timber products, especially mouldings. There is great potential for more processed timber products such as wooden doors and furniture to penetrate the Australian market.

Export value for timber and timber products registered \$51.7 million in 1973, \$111 million in 1980 and \$154.1 million in 1984. However, among the developed countries, Australia im-

posed the highest import duty on plywood, 25 per cent compared with 10 per cent in the EEC and 17 per cent in Japan.

He said that Malaysia will provide "positive encouragement" to the development of its secondary processed industries utilising its timber resources.

He hoped that Australian importers and consumers will realise the advantages of sourcing their requirements for these products from a traditionally reliable source like Malaysia.

Datuk Leong said that Malaysia will establish furniture zones to integrate all activities related to furniture production. With these, it will be able to produce furniture of better quality and design at competitive prices. Australians are invited to participate in these zones.

Datuk Leong assured the Australians that despite the National Forest Policy, Malaysia will continue to be a reliable supplier of timber and timber products.

PHILIPPINES

OPPOSITION ANALYSIS OF U.S. 'PRESSURES' ON MARCOS

Cebu City VISAYAN HERALD in English 20 Sep 85 p 2

[Article by Marlen Ronquillo: "U.S. Pressure on Marcos Mounts; Genuine Economic, Political Reforms Urged"]

[Text] The United States is increasingly disgusted over the Marcos government's "refusal" to carry out political and economic reforms and is stepping up the pressures, including overt destabilization moves, that political oppositionists say amount to no less than a declaration of "war."

An analysis of current national events revealed by oppositionists yesterday said the pressures are building up on two fronts--economic and political--to dramatize the U.S. Government's disgust over the direction of the Philippine Governments current major policies.

"The pressures are slowly shifting from subtle reminders to overt, destabilization efforts," an Opposition MP who did most of the analysis told Malaya.

The analysis said the strongly-worded protest the U.S. State Department made over the failure to the Tanodbayan to take in as valuable pieces of evidence the affidavits of U.S. military officers on the scrambling of the jets to intercept a plane the day Opposition leader Benigno S. Aquino Jr. arrived and was shot on August 21, 1983 "means more than what meets the eyes."

"The U.S. State Department's grim reminder to the Tanodbayan is the first of a series of measures designed to make the Marcos government turn about from its intransigence," the analysis said.

"Though the U.S. Department's view on the scrambling affidavits was couched in diplomatic terms, the message in between the lines reveals that the country's closest ally is ready to clash head-on with the Marcos government on the issue of political and economic reforms," according to the analysis.

The oppositionists' analysis jibes with information from ruling party sources who said the Marcos government views the State Department's protest as more of a strong signal to "toe the line, or else," than as a simple rebuke of the Tanodbayan.



However, American ambassador to the Philippines Stephen Bosworth has repeatedly asserted that his government is not involved in any interventionist adventures in the Philippines, and that it continues to respect the Philippines as a sovereign state.

Bosworth had also denied published reports that the United States, through the Central Intelligence Agency (CIA), will support a coup against Mr Marcos.

According to the analysis, the country's creditor-banks and the International Monetary Fund-World Bank have devised economic policies to "tighten the screws" on the rescheduling of the country's external debts and the release of the \$3 billion in trade credits aimed at perking up production, export and import in the country.

The economic policies shaped up by the creditor-banks and the IMF-WF, specifically on the release of the \$3 billion in trade credits and the rescheduling of the foreign loans, are designed to give the foreign agencies "unlimited leverage" in bargaining for reforms, the analysis said.

"The slow pace of the rescheduling and the failure of local businesses to hasten the availment of the \$3 billion in trade credits may have been caused by the foreign agency's need to have solid leverage in bargaining for reforms with the Marcos government," the analysis said.

The analysis said the business community is wild with talks that the WB-IMF-inspired devaluation of the peso is in the offing and the two agencies are using the devaluation issue to extract more reforms from the Marcos government.

"Merely the issue on by how much will the peso go up against the greenbuck gives the IMF-WB and the foreign governments which control these institutions great leverage in bargaining for reforms," said the analysis.

The analysis said the U.S., which represents the majority interest in the IMF-WB, "will use the stranglehold of the agencies over the distressed Philippine economy to the limit."

The decision to "tighten the screws" on the Marcos government was influenced by what the U.S. perceives as the refusal of the Marcos government to heed the reforms it has recommended.

The main gripes of the U.S. are Mr Marcos' refusal to promulgate rules for a free and fair elections and accredit the National Movement for Free Elections, the strengthening of the paramilitary units and Marcos recent takeover of the power to supervise police forces in the country.

One the economic side, the U.S. is "irked" by "cosmetic" reforms in the sugar and coconut industries, according to the analysis.

Sugar cane and coconut oil are among our chief exports to the U.S. and the two are among the most vital cash crops in the country.



The analysis said the adoption of a hard-line policy toward the Marcos government was a joint initiative of the State Department and the U.S. Congress.

"Remember that the Congress has only been the hard-liner on the reform issue. The State Department opted for more subtle forms of pressure in the past," according to the analysis.

For the first time, the analysis said, the State Department realized the agitations from Congress for a hard-line approach were vital in dealing with Mr Marcos.

CSO: 4200/44

PHILIPPINES

WE FORUM POLL MAJORITY WANTS MARCOS OUT

Quezon City WE FORUM in English 10-16 Sep 85 p 3

[Article: "A Birthday Message to President Marcos: A Majority Wants You Out, Sir!"]

[Text] Two burning questions of the hour: to snap or not to snap? Should Marcos stay or not?

Fifty-five per cent did not think snap election was necessary or would be good for the country. Only 29 per cent said there should be snap election.

Sixty-one per cent thought President Marcos should not be allowed to finish his term. Thirty-eight per cent said they wanted him to finish his constitutional term before a presidential election is held.

Sixty-two per cent did not favor the action of the Batasan in dismissing the petition of impeachment filed by the opposition; 19 per cent said they favored.

These were the results of a snap opinion poll conducted by WE FORUM over the last two weeks. WE FORUM distributed 250 questionnaires and 154 were returned with answers to three questions.

The questions were: 1) Do you favor a snap election before 1986? 2) Do you favor that President Marcos finish his term in 1987 before a presidential election is called? 3) Do you favor the action of the Batasan in dismissing the petition of impeachment filed by the opposition?

The questionnaires were distributed to housewives, professionals, laborers, students and out-of-school youths.

Although the students and laborers turned in the most "no" answers to snap election, they were decidedly anti-Marcos and their reasons were mainly that elections would be rigged by the party in power, the "U.S.-Marcos dictatorship" must first be destroyed, the opposition is not prepared or united, elections are an exercise in futility.

This trend of opinion is borne out by the returns on the second question, whether to allow Marcos to finish his term, to which 94 of the respondents or 61 per cent said no.

Further reinforcing the vehement opposition to the continuance of the Marcos regime is the 62 per cent (95 respondents) who thought the Batasan dismissed the impeach-Marcos petition out of hand without looking into its merits by using the Kilusang Bagong Lipunan's clout of numbers.

Here are some sample opinions:

Ned Santos, student: (No to snap): "Because elections do not bring about any substantial change, they do not solve the basic problems of the people, in particular, poverty. (On Marcos' tenure): "I don't consider Mr Marcos as our president but instead an autocratic, despotic ruler who forced himself to power and therefore should be deposed together with his puppet regime and in its place, a democratic coalition government."

John Dangui-is, student: "Snap election is an exercise in futility. The KB will cheat again. (On Marcos' tenure): "No, he has overdone himself."

Ely M. Mabeza, student: "The KBL will just fool the people again. No election is clean as long as Marcos is there."

Ramon Bonabra, laborer: "Hindi election ang kailangan para malutas ang ating kahirapan. Kailangan siyang magbitiw sa kanyang tungkulin upang lumaya ang bayan sa kuko ng mapangaliping estado."

Company Executive (anonymity requested): "The rules of the game are all in the KBL's favor. (Snap election) does not give time for the opposition to be ready. (On Marcos' tenure): "The country needs better direction. He (Marcos) has lost credibility."

Josefina Recio, housewife: "I favor a snap election provided it is clean and honest. Ang mahalaga niyan, malaman ang sincerity ni Marcos. Talaga bang handa na siyang matalo? O mandaraya siya para lang manalo at mapatunayan sa US na gusto pa rin siya ng mga tao?"

Maria Rosario Ramos, housewife: A snap election is very risky. First, the opposition is not that ready. Nagyayabang lang ang mga uyan. Eh kung manalo ulit si Marcos, eh baka sa desire nilang paikliin ang term ni Marcos, lalong humaba. Hindi ba nila naisip yon? The trouble with the opposition is they are over-confident." [as published]

Miguela Diaz, housewife: "Ako noon pa, gusto ko nang matanggal yang si Marcos. Kaya lang, papaano? Masyado siyang tuso. Masyado siyang matalinong lumusot sa gusot. Kaya nakakatakot, ang ano mang magiging resulta ng snap election makes me shiver. I think we have no choices, What we can probably do now is to pray that Marcos will reform and accept his shortcomings."

Ronnier Vetus, out-of-school youth: (No to snap): "Because a snap election would cost P300 million and this would be untimely due to our present crisis and result in confusion. (On Marcos' tenure): "It is but proper to follow what is stated in the constitution."

Dante De Guzman, Sampaloc, Manila, a student:

1. No. I-momonopolize lang nila ang eleksiyon. Handa na ang makinarya ng gobyerno para lokohin ang taumbayan. Wala na namang mangyayari diyan.
2. No. Kung maaari nga, umalis na siya ngayon e.
3. No. Sino ang papalit kay Marcos? Sila-sila rin. Wala ring gaanong pagbabagong mangyayari. Iisa rin naman ang interes nila.

Lurdes Mirasol, Pasig, Metro Manila, a housewife:

1. No. Luto lang kasi yan e.
2. Yes. Para makita natin kung gaano talaga karami ang mga taong lumalaban sa kanya.
3. No. Kahit ilang impeachment resolution ang i-file nila, walang mangyayari dahil hawak ni Marcos ang Batasan.

Nona Tan, student, UP Diliman:

1. No. I think it's opportunist on the part of some politicians to move for early elections. I don't think it will be effective. I don't believe in elections anyway, so I'll probably boycott.
2. No. The situation is getting worse and I don't think his staying any longer will help.
3. Yes. It's a good move but we need a change not only in leadership but of the whole structure. No matter how many elections we hold, as long as the present oppressive structure exists, it won't amount to anything significant for the people.

Anita Ocampo, medical secretary:

1. Yes, it's time for it. It seems our country is heading for change, alright but for the worst. Marcos has a problem with his credibility.
2. No. Why not change him? We have other alternative leaders.
3. Yes. But it seems they lack the preparations. They should first do something about it.

CSO: 4200/44

PHILIPPINES

'MODERATE' YOUTH GROUP WISHES MARCOS 'UNHAPPY BIRTHDAY'

Davao City PEOPLE'S DAILY FORUM in English 11 Sep 85 p 7

[Article: "Youths of Marcos--May You Have No More Birthday to Come"]

[Text] The MAKALAYA (Makapilipinong Kabataan Tungo sa Kalayaan) held yesterday a "mananita" for President Marcos as a sign of protest against the deteriorating peace and order and the worsening economic conditions in the country.

MAKALAYA, a moderate youth group led by Boy Rasgo and Bebeth Laid of the Ateneo de Davao University, rendered here protest songs in commemoration of FM's birth anniversary today.

MAKALYA, an organization which aims to dismantle any form of dictatorship and to change the social structure, greeted Marcos yesterday during a program "Mananita '85 Alay sa Pangula" with the following statement:

May you have no more birthday to come

Today, September 11, 1985, Mr Ferdinand E. Marcos, president of the Philippines for already two decades is celebrating his sixty-eight birthday anniversary. This occasion means nothing to us but a commencement of another year in the life of a ruler who continue spreading the dictatorial mantle which has been the shade of the Filipino people since martial law was declared in 1972.

On this occasion, we cannot afford to remain silent and idle while the first family is sharing the merriment and joy of the festivity. To them, it could be their happiest moment, most especially to Mr Marcos for it marks another milestone in the political history of the Philippines. It signifies a start of another decade of dictatorial rule in the country.

On the other hand, the degree of happiness Marcos feels on this day bears the same intensity of sorrow millions of Filipinos experienced under this repressive regime. Cases of indiscriminate carnage of Filipinos, mass arrests and tortures of alleged subversive elements, destruction to property during zoning or dragnet operations, as well as cases on graft and corruption among government personnel remain unabated. These are only few indicators that the state has already become lawless and corrupt. And the people whom we entrust our mandate to represent us, have shared its corruption and lawlessness.

It is therefore our intention on this memorable day to categorically state our refusal to share that corruption and lawlessness, notwithstanding the price we'll pay for it. We believe that when the government is corrupt, there is no other place for a good citizen but to be in jail or at the bottom of his grave.

Undeniable is the fact that Mr Marcos is at present employing state violence. (Is it proper to counter his move with violence?) Is it practical to counter his move with violence? The late senator Ninoy Aquino while speaking before the Filipino community in Los Angeles City, California, USA, once said, "If we'll use violence against him, he'll only justify the use of more violence against us. Since he has the forces of repression, (he is the only sinner) we'll be the loser." Corollary to this, Gandhi in one of his writings put it this way, "when a man uses violence against you, do not give him a reason to justify his violence because if you're not violent, then before the bar of public opinion and before God, he is the only sinner." True to the conviction of Aquino and Gandhi of instituting reforms in a society, we rally behind an active but non-violent struggle for a total societal transformation.

We still believe that Mr Marcos is a human being and has a conscience. We may even conceive that in his own passion, he thinks he is doing right. It is therefore our solemn duty and obligation to enlighten him that he is but human, not exempt to commit mistakes. Let's remind him that to be in power for twenty years is enough and we need him no more. We have already experienced the many untold sufferings and miseries he brought to us. We cannot endure any longer. We want to free ourselves from the clutches of a political power whose ultimate weapon to his constituents is fear and terrorism. But definitely, Mr Marcos is a human being, and we have not lost hope that sooner or later, he will be forced to concede to the legitimacy of our demands.

To conclude, we would like to take this opportunity to appeal to all freedom-loving Filipinos to bind our forces together in order to hasten the dismantling of dictatorship in the country and to effectively resist all forms of dictatorship violative of man's inalienable rights to life, liberty, property and the pursuit of happiness.

To Mr Ferdinand E. Marcos--Unhappy birthday to you and may you have no more birthday to come. Para sa Diyos, sa Tao at sa BAYAN, MAKAPILIPIN ong Kabataan Tungo sa Kalayaan (Makalaya)

CSO: 4200/44



PHILIPPINES

MARCOS ASKS OPPOSITION INPUT ON CONSTITUTION, SNAP POLL

Davao City PEOPLE'S DAILY FORUM in English 13 Sep 85 pp 1, 8

[Article: "Laurel Win Over Marcos in 'Snap' Elections Seen"]

[Text] President Marcos has asked the Opposition to sit down with him to discuss possibilities to amend the Constitution so that the President can run in a snap election without resigning from office; this was relayed by Davao del Norte Mambabatas Pambansa (MP) Rolando C. Marcial to Tagum barangay captain Antonio Lagunsad.

In a wire, MP Marcial told Lagunsad that the reason he failed to attend the Barangay Day in Tagum last September 11 was that they are studying the proposal of Pres. Marcos.

President Marcos' proposal is for both the KBL and Opposition to form their respective 11-man committee to discuss the Constitutional amendment, Marcial told Lagunsad.

Lagunsad, a former KBL standardbearer for the Tagum mayoralty race in 1980 resigned from the KBL in February 1985 "because the local KBL leadership is as dictatorial as the regime of Marcos." He formally affiliated with the Opposition June 12 in the same year.

Lagunsad also revealed that in a recent survey of government team in Davao Province showed the Doy Laurel-Cory Aquino tandem leading by 51 percent over that of Marcos (and any of his runningmate). Only 48 percent went for Marcos. One percent is not committed.

Meanwhile, the Opposition expressed confidence that former Senator Salvador "Doy" Laurel, UNIDO's presidential bet, will wrest the Presidency from Marcos in a snap or regular election as scheduled.

This is because more than any political party, the United Nationalist Democratic Organization (UNIDO), is the only opposition party so far that has complied with the NUC-Convenors groups guidelines by nominating Laurel its standard bearer.

According to Kagawad Dominador "Boy" Zuno, himself a mayoralty aspirant for the UNIDO, the early nomination of Laurel as the party's presidential bet has given Laurel an advantage over his rivals.

"Besides, Laurel is determined to run for president," Zuno added.

He said that under the NUC-convenor group guidelines, all major political parties are supposed to call for a convention for the purpose of naming their presidential candidates. These candidates, in turn, will be tossed back to the NUC-Convenor's group for final selection. "In this case, Laurel is a frontrunner," Zuno added.

Laurel's selection as UNIDO standard bearer was made in a party national convention at the Araneta coliseum as early as June.

Meanwhile, Laurel's stock as presidential aspirant has been boosted by a Bishop's-Businessmen survey of 1985 which gives him an overall rating of 29 percent. This is almost twice that of his nearest rival, Jovito Salonga with 16 percent and that of Agapito "Butz" Aquino with 15 percent.

UNIDO holds the distinction of sending 60 UNIDO bets to the Batasan in the 1984 elections. It also lays claim to being tried and tested.--(Sonny Joaquín/Rene Lumawag)

CSO: 4200/44

PHILIPPINES

SULU LEADERS CALL FOR SPEEDY RESOLUTION OF ELECTION PROTEST

HK161423 Quezon City ANG PAHAYAGANG MALAYA in English 9 Oct 85 p 9

[Article by Jam Maridul]

[Text] Two Sulu leaders have warned of a "strong possibility" of a planned armed confrontation among various political factions in Sulu province if the election protest over the results of the last Batasan poll is not resolved before the holding of the 1986 local elections.

Former Moro National Liberation Front commander Maas Bawang Estino, considered the grand old man of Sulu, also appealed to the Commission on Elections and the Supreme Court to speedily decide the election protest of former COMELEC commissioner Hashim Abubakar against incumbent Assembly man Hussein Loong in order, he said, that "the people of Sulu will be guided properly and learn a lesson".

Abubakar, who ran as independent KBL [Kilusang Bagong Lipunan] candidate in May 1984, is protesting the election of Loong, KBL official bet, citing among other things that "massive fraud, intimidation and coercion" marred the 1984 Batasan polls in various towns of Sulu.

Maas Bawang whose soon is the incumbent mayor of Panglima Estino town said that the non-resolution of the election protest, he has created unnecessary tension among the different political groups in that island province.

In a talk with MALAYA, Maas Bawang and Abubakar said they would respect the decision of both the COMELEC and the high tribunal, and added that they would ask other political groups in Sulu to respect the sanctity of the electoral process.

"But the result of the protest will have a very significant effect not only on the politics in Sulu but on the general well-being of the Tausog people," they said.

Abubakar said that it was his respect for the electoral system that compelled him to question the proclamation of Loong as winner of that election.

The outcome of the protest he claimed, would either restore the credibility of the electoral process in Sulu or teach aspirants for any elective office in the area that in order to win, "you must have guns and goons, and the ability to intimidate people."

Abubakar explained that while his group would abide by the decision of the poll body and the high tribunal, other political groups would think "There is no use observing the rule of fair play if one could use force and terrorism, and get away with it," he said.

CSO: 4200/99

PHILIPPINES

CEBU BAYAN CHAPTER PRESS CONFERENCE REPORTED

Not Against American People

Cebu City VISAYAN HERALD in English 25 Sep 85 pp 1, 4, 9

[Text] Bagong Alyansang Makabayan of BAYAN leaders yesterday declared that they are not anti-American or against the American people but only anti-imperialist, and against the policy of imperialism perpetrated by the group of President Ronald Reagan.

BAYAN leaders gave this impression in statements answering questions of members of the press and concerned citizens during the 9th edition of the Kapihan Forum held at Hotel de Mercedes yesterday.

Led by Prof Zenaida Uy, BAYAN chairperson, those who gave lengthy discussions of issues were BAYAN vice chairman Paul Rodriguez and Atty, Vic Ralbuena of the Popular Struggle Commission.

Prof. Uy gave examples of instances when groups of Americans were with BAYAN, proof that BAYAN is not against the American people.

The BAYAN leaders also took time to clarify the following issues:

- 1) that BAYAN does not subscribe to communism, and is not a communist front but may have similar cause in fighting the U.S.-Marcos dictatorship;
- 2) that BAYAN's funding comes from the people who subscribe to BAYAN principles and the cause it is fighting for;
- 3) that structure of our society may have to be changed through education and conscientization in order to achieve the nationalist ends of BAYAN;
- 4) that BAYAN consolidates and unites the sectoral groups so that a common stand against the U.S.-Marcos dictatorship can be achieved.

Paul Rodriguez told the Kapihan crowd that it is repetitious to be saying that BAYAN is not communist or a communist tool "wittingly or unwittingly". Rodriguez recalled the many instances when BAYAN as a group has been branded names, "but the real intention is to discredit BAYAN." Rodriguez was referring to the military tactics of black propaganda against groups that effectively articulate the people's causes or hit the Marcos regime effectively in the eye.



Lawyer Vic Balbuena enumerated the issues against "the U.S.-Marcos fascism" which has deceived the people. Four myths were read from a document on how the U.S. has spread its tentacles of imperialist objectives. Balbuena said "U.S. imperialism is the real evil."

Regarding RP's foreign loans, Balbuena said we cannot pay these loans in 2,800 years and so "our stand is to pay only from eight to ten billion dollars of these loans." The \$10 billion dollars represents the actual amount truly used for the good of the Filipino people. The rest has been stolen or went into the pockets of grafters in the government of Mr Marcos. These loans will be under review. We will pay these loans under conditions within our capability to pay, and it is our moral duty never to pay these loans, Balbuena said.

On the matter of funding, Prof. Uy explained that the poor people give regularly to BAYAN whatever amount they can afford. "There are also businessmen who support us," she said.

Prof. Uy vehemently denounced the massacre of BAYAN members during the Welgang Bayan in Escalante town in Negros. She called this another show of the brutality of the military. "BAYAN marchers were defenseless and unarmed," she said. They were shot from behind, when the demonstrators were in prone position. The Negros massacre did not find publicity in the pro-establishment press. The latest reports say 30 have already died and 200 are reported missing.

Prof. Uy said they will show their solidarity with those who died in the worst military atrocity during the burial of these people.

The military, according to Prof Uy, has not shown respect for human rights, a God-given right. The marchers, she stressed, had only their bodies and their grievance.

The real issues, said the BAYAN leaders, are the problems that they have identified. Solution of these problems which BAYAN has grouped as general in scope and specific ones have been repeatedly ventilated.

--Stop urban and rural militarization;

--Stop political repression of all cause-oriented groups;

--Free all political detainees;

--Stop media repression;

--Stop international Monetary Fund and World Bank dictation to Philippine economy;

--Confiscate all ill-gotten wealth of President Marcos and cronies in favor of the people;

--Produce Fr. Rudy Romano and Rolan Levi Ybanez and punish the perpetrators.

The BAYAN leaders also said that all sectors who have a grievance can be accommodated. The BAYAN leaders have so far been the most applauded among the Kapihan guests. Some money contributions were voluntarily given by the audience.

Expressions and pledges of sympathy also freely flowed from the listeners.

Other BAYAN leaders present were lawyer Democrito Elipe and Felix Rengal of Bohol.

Kapihan Forum is held every Tuesday morning at Hotel de Mercedes and is sponsored by PRESSURE (Press United vs. Repression and Emasculation), in coordination with the Concerned Citizens for Better Cebu and the Concerned Citizens for Good Government. Visayan Herald Al Alinsug, who is vice president for Visayas of the Federation of Provincial Press Clubs of the Philippines coordinates the weekly activity.

#### Not Tools of Communism

Cebu City VISAYAN HERALD in English 25 Sep 85 pp 1, 4

[Article by Letty Suico]

[Text] BAYAN-Cebu officials who were guests during the Kapihan Forum at Hotel de Mercedes strongly denied accusations that their activities are instruments of communism even as they hurled back the same accusations to President Marcos and "his KBL gang."

Prof. Zenaida Uy, Atty Vic Balbuena and Paul Rodriguez, all officials of BAYAN-Cebu, said BAYAN is a victim of black propaganda. They explained that there seems to be a pattern such that if people's struggle grows stronger in achieving the common goal, which is to topple the regime, a diversionary tactic is applied, thereby connecting their activities to the communists. They bared that their number one enemy is the "Marcos dictatorship supported by the U.S." At this point, they revealed what they called a healthy sign, that 70 percent of the military are pro-people. As an example, they cited the report they received from the latest incident in Escalante, where soldiers were seen firing their guns in the air while the alleged CHDE who were reportedly goons of a certain Gustelo fired at the protestors.

The Kapihan guests announced that they will support the electoral struggle of the people and they will be supportive of the candidates whom they consider pro-people. This will be based on the candidates' activities and program of government [as published].

At this point, there was a popular request from forum participants composed of members of the Cebu Breakfast Club, Concerned Citizens for Better Cebu, Concerned Citizens for Good Government and mediamen for the BAYAN to initiate a protest against the high power cost of VECO. The request was well taken by BAYAN leaders and Prof. Uy proposed that a group should initiate such a protest and that surely the BAYAN will articulate and rush the issue.

The issue of alleged foreign funding to BAYAN activities was raised which was again denied by the guests. As they had earlier belied this accusation, they cited how they operate on self-reliance and even on donations. At this point, participants of the forum handed some cash donations to BAYAN leaders as signs that they are supportive of their cause.

They vehemently denounced the massacre at Escalante (separate story) and said that the God-given right to life which is upheld by the constitution was already ignored. They added that the policy of a dictator is to seize man and kill, and its only chance to hold on the power is by using military arm.

BAYAN believes in the peaceful, non-violent struggle and it is the present regime that is fanning the flames of violent forms of protest, they aid.

Uy pointed out certain basic facts like poverty, injustice, child prostitution, unemployment hidden wealth issues, closing of small business firms, hamletting, zoning, salvaging, etc. which according to her, need a more serious study rather than the communist slogans which the military want people to think about. They clarified that they stand for free trade of ideas from all sectors for the full search of truth and in the interest of justice. (LS)

CSO: 4200/44

PHILIPPINES

PROBE OF CEBU MASSACRE CONTINUES

HK170759 Manila BUSINESS DAY in English 16 Oct 85 p 10

[Text] Cebu City--The Cebu military command and the Bagong alyan Sang Makabayan (Bayan) war waging a "battle of credibility" here.

The issue is the massacre of nine members of the farmer's family in the hinterlands of Balamban, Cebu, last week.

In separate press conferences Monday, the two sectors each presented witnesses who identified the people behind the massacre.

Two farmers presented by the military said the victims were killed by members of the Communist Party of the Philippines Bagong Hukbo Ng Bayan.

Bayan, on the other hand, presented a boy who claimed to have witnessed the killing by a barangay official and a member of the Civilian Home Defense Force.

Brig Gen Renato Ecarma, chief of the Regional Unified Command (RUC) and the PC Recom 7 [Philippine Constabulary Regional Command 7], said murder charges will be filed against those responsible for the crime.

Bayan also said they would file charges, against the suspects.

The military on Monday released a photograph to a Cebu daily that showed the victims as they were killed in house. It also showed a dead woman and her seven-month old baby girl.

It said the photos were taken by soldiers who arrived in the area after they were summoned by residents. The bodies were already in a state of decomposition.

Meanwhile, the Visayas Ecumenical Movement for Justice and Peace today said it will send a fact-finding mission to the mountain barangay of Balamban on Wednesday to investigate the killing.

CSO: 4200/99

PHILIPPINES

EVIDENCE OF NPA 'BUILDUP' IN CEBU BARANGAY

Cebu City SUN STAR DAILY in English 20 Sep 85 pp 1, 2

[Text] The seizure of two new types of grenades and the persistent firing of guns at night have confirmed the arms and manpower buildup in Kanhabagat, Medellin, Cebu by an armed group linked to the Communist Party of the Philippines-New People's Army (CPP-NPA), the Constabulary said yesterday.

The PC said four suspected members will be invited for questioning to shed light on the group's activities.

Four sitiofolk and two barangay councilmen claimed that they had been approached by members of the armed group for possible recruitment, the PC said.

Leaders

Capt. Lani-o Nerez, a 342nd PC Company commander stationed in Bogo, Cebu, in his report to Lt. Col. Jewel F. Canson, Cebu PC/INP provincial commander, identified the group's leaders as Edgar Tinapay and Eric Bohol.

Four other persons, including an amazon, who play a major role in the group's expansionist moves were identified as Bartolome Costan, Dante Armincol, Sergio Regis and the lone amazon, Addie Book.

The group's recruitment activities and its penchant for sowing fear and terror at night have been confirmed by Kanhabagat residents Sergio Ruiz, 50; Bartolome Conson, 49; Adelaida Book, 41; and Emiliano Noynay, 47. They said the group started recruiting them last August 30.

The testimonies of the four residents of Kanhabagat were corroborated by barangay councilmen Francisco Canoy and Jose Ruiz and by barangay captain Fermin Villegas.

Trained

The residents also said:

--Leaders Tinapay and Bohol were trained and indoctrinated in Mandaue city;

--A white car boarded by armed men was seen in Kanhabagat last week of August;



- A target for recruitment is made to sign an application form;
- The group roams at night and performs their recruitment activities;
- Sitiofolk who refused to cooperate received death threats;
- The firing of guns by the armed group at night is aimed at harrassing sitiofolk and force them to cooperate with the group;
- slogans, like "Mabuhay ang NPA" are painted on the barangay schoolhouse.

CSO: 4200/44

PHILIPPINES

CEBU CHURCH ALLIANCE HITS MARCOS REGIME AFP, ON ABUSES

Cebu City VISAYAN HERALD in English 19 Sep 85 pp 1, 9

[Article: "Church Alliance Hits AFP; Urges Participation in Welga"]

[Text] A church alliance has damned the Marcos regime as responsible for "sad and cruel effects of continued rule" while it brands the armed forces of the Philippines as "vicious" and responsible for what it calls "heirous crimes against the Filipino people, and many crimes against the people of the church.

The Cebu Alliance for Church People's Response (CACPR), with offices at the Cardinal Rosales Pastoral Center, Archdiocese of Cebu, claims that the people of the church have been persecuted. A signed statement of the church group through Fr. Arci Abellana, executive secretary claims that the persecution is the regime's attempt to harass, arrest, kidnap and even summarily execute church people.

However, the statement says that what the church people are doing is to be true to their mission and defend the rights of other sectors.

The statement cites Fr. Gore who was deported to his country for his support of the farm worker in Negros. Fr. Favali who was murdered by paramilitary forces in Cotabato for his support of his parishioners against military abuses. Rev. Osorio who who [as printed] gunned down by uniformed men for his support to the welfare of the cultural minorities in Palawan.

The statement also cited Fr. Rudy Romano who was "kidnapped by military intelligence operatives for his support to the struggle of the different sectors of Cebu."

CACPR charges that they have shouted against the "systematic injustices perpetrated in our society by the very people whom we regard as protectors and defenders of our God-given and constitutional rights." It also mentions the countless number of long marches. huge rallies and processions, through prayers and supplications, but they were only met by "more savage responses of the Marcos regime."

CSO: 4200/44

PHILIPPINES

MANIFESTO PUBLISHED DEMANDING U.S. NATIONALITY FOR FILIPINOS

HK170354 Davao City SAN PEDRO EXPRESS in English 23 Sep 85 p 5

["Letters" column: "On U.S. Policy of Apartheid Against Filipinos"--passages within slantlines published in upper case]

[Text] /The Filipino People/  
Republic of the Philippines

/Re: Noise-barrage in support of Ellu Pamatong's case regarding U.S. nationality and U.S. policy of apartheid against Filipinos/

/Countrymen:/

We have recently discovered that all Filipinos born on or before July 4, 1946--including their children--were and still are U.S. nationals, entitled to obtain U.S. passports and entry into the United States as a matter of right. The United States Supreme Court and the Ninth Circuit Court of Appeals have ruled that in fact all Filipinos born before July 4, 1946 were rightfully U.S. nationals. This ruling is based on four organic laws passed by the U.S. Congress, to wit: Philippine Bill of 1902; Jones Law of 1916; Hare-Hawes-Cutting Law of 1933; and Tydings-McDuffie Law of 1934.

However, the American Government took the position that we lost our American nationality because of Section 14 of the Tydings-McDuffie Law. We maintain that this 54-word section is null and void because of the following reasons: 1) It is overvague and overbroad; 2) It is violative of the due process clause of the U.S. Constitution; 3) It is a bill of attainder; 4) It is violative of the 8th Amendment; 5) It is violative of Article 15 of the Universal Declaration of Human Rights; 6) Philippine independence was not a ground for losing U.S. nationality; and 7) It is beyond the powers of a government to denationalize its own nationals.

By the authority of my more-than-a-decade experience as a lawyer, I say that our position is /absolutely right, and there is no way we can lose before a truly impartial judge./ It is for this reason that we filed a lawsuit against the /U.S. Government/ on June 26, 1985 seeking judicial mandate to permit Filipinos to /choose/ either to remain American nationals or to become a citizen of the Republic of the Philippines or to retain both.

As the same time, we have submitted a bill to Senator Kennedy covering the same subject matter. Also, we have sought assistance from the 142 foreign mission (the United Nations) in New York.

In spite of what we have done, we know that our efforts will be in vain without your support.

A clear demonstration of your involvement, belief and participation is extremely necessary to show to America and the world that this crusade regarding U.S. nationality and U.S. apartheid against Filipinos is not a product of one man's imagination but a dream shared by every freedom-loving, self-respecting Filipino. We are therefore calling upon all of you to show to yourselves, to your own countrymen, and to the world the boldest, loudest assertion of your belief in our struggle wherever you may be on October 11, 1985, Friday at 6:00 p.m.

Let those who have been subjected to humiliating interviews at the U.S. Embassy in Manila or U.S. Consulate in Cebu make their loudest, non-violent protest against such a dehumanizing practice of apartheid against the Filipino race.

Let the children, widows, and relatives of those who were asked to jump into the foxholes of Uncle Sam in Bataan, Vietnam and Korea express their non-violent protest against America's policy of apartheid against the Filipino people.

Let those veterans who were considered by Uncle Sam fit to fight and die for America's dreams and ideals--but not fit to become U.S. citizens or even enter America--join the whole nation in this non-violent demonstration of protest and form of anti-Filipino policy.

Let those Filipino half-Americans who have been excluded from the benefits of U.S. Public Law 97-359 and therefore not allowed to enter America as immigrants make their loudest cry against this most inhuman form of abandonment.

Let the widows, orphans and relatives of those shot by American soldiers at Subic Base, for allegedly looking like "pigs", make known their protest against such an assault against our race.

Let those who could not accept America's policy of rebuilding her enemy (Japan), instead of her ally (Philippines) make their loudest noise against such abominable act of betrayal. And,

Let those who have not forgotten the American massacre of more than a million Filipinos during the Philippine-American war, pay their tribute to those who have so nobly fallen by joining this most historic, nationwide demonstration of rejection against any form of oppression against the Filipino masses. Thank you and Good Luck. [signed] Elly Velez Pamatong, attorney and chairman in Cusnaphil [expansion unknown].

CSO: 4200/99

PHILIPPINES

PESO STEADILY DEPRECIATING AGAINST U.S. DOLLAR

HK160825 Manila PHILIPPINES DAILY EXPRESS in English 15 Oct 85 p 9

[Article by Raul Marcelo]

[Text] For the past 14 days, the peso has been slowly but steadily depreciating against the U.S. dollar at the daily inter-bank foreign exchange trading, with the government-owned banks buying heavily.

This seems to confirm suspicions of the business community that the government is willingly giving in to pressures from the International Monetary Fund (IMF) to depreciate the peso vis-a-vis dollar.

Businessmen claimed that the local currency could not decline against the dollar since there is still very little demand for foreign exchange by users, like importers.

Demand by importers, according to businessmen Raul Conception, remains weak as industries continue to suffer a depressed market and "most of them are in fact operating at about 45 percent of their capacity."

Most manufacturers, he added, are also hesitatnt to pile up imported inventories because of the threats of the proposed import liberalization.

On the supply side, government officials have noted that the economy remains "flooded" with a surplus of foreign exchange, which from official sources alone amounts to over \$1 billion.

The International Monetary Fund (IMF) has been insisting on the Central Bank (CB) to depreciate the peso since last month when it said that the local currency was overvalued.

However, the CB was reported to have resisted the pressures and has kept the local currency relatively holding on the P[peso] 18.60-\$1 rate for almost two weeks.

But since September 24 when the peso opened at P18.62 to a dollar, the rate has consistently climbed to P18.70-\$1 as of last Friday.



During the period, the government has been the major buyer of foreign exchange at the daily trading being conducted by the Bankers Association of the Philippines (BAP).

The CB and the Philippine National Bank (PNB) bought \$22 million of the total inter-bank trading volume of \$50.21 million.

CSO: 4200/99

PHILIPPINES

ECONOMIC INDICATORS ON PESO'S FALLING PURCHASING POWER

HK170825 Manila BUSINESS DAY in English 16 Oct 85 p 2

["Economic Indicator" column: "Peso Purchasing Power Falls"]

[Text] The purchasing power of the peso, using 1978 at the base year, slid further to P [Pesos] 0.2811 in September this year, 11.27 percent lower than the P0.3168 recorded in the same month last year, BUSINESS DAY computations based on National Census and Statistics Office (NCSO) data on the consumer price index (CPI) showed.

However, the purchasing power in September registered a minimal increase of 0.36 percent compared with the previous month's P0.2801.

This could be traced to the success of the antiinflationary measures and policies imposed by the government as reflected in the decline in the CPI. As of September, the CPI went down 0.34 percent to 35.8 index points from 357 index points in August this year.

The purchasing power measures the volume of goods and services, usually bought by an average household, a peso can purchase at any period relative to the corresponding volume during the base year. The purchasing power of the peso can be computed as the reciprocal of the CPI expressed in percentage units.

The September figure showed that a consumer could only purchase P0.2811 worth of goods and services with a peso, almost three-fourths less than what he could buy with his P1 in 1978.

[Table on next page]

Purchasing Power of the Peso  
1983 to August 1985  
(1978=100)

Period	1985	1984	1983
January	P0.2890	P0.4198	P0.5596
February	0.2864	0.4168	0.5568
March	0.2852	0.3987	0.5555
April	0.2866	0.3928	0.5528
May	0.2861	0.3862	0.5483
June	0.2847	0.3634	0.5423
July	0.2808	0.3336	0.5297
August	0.2801	0.3245	0.5203
September	0.2811	0.3168	0.5181
October		0.3124	0.5118
November		0.3007	0.4826
December		0.2961	0.4466

Source: BUSINESS DAY computations based on National Census and Statistics Office (NCSO) data on the Consumer Price Index (CPI)

CSO: 4200/99

31 October 1985

## PHILIPPINES

## PAPER REPORTS DUMPING OF U.S. RICE SURPLUS

HK161401 Quezon City ANG PAKALAGANG MALAYA in English 4 Oct 85 p 6

[Text] Almost a third of 340 million worth of American rice surplus under a controversial U.S. grant to the Philippines has been dumped here so far despite government pronouncements of abundant harvests this main planting season. Sources at the National Food Authority said yesterday that 42,000 metric tons of the 139,000-m.t. rice deal have been shipped to various ports nationwide since mid-September. The remaining 97,000 m.t. of rice donation under Public Law 480 are expected to be shipped here completely by November, according to NFA spokesman Vicente Racho. NFA Administrator Jesus Tanchanco said earlier that the shipments will form part of the country's buffer stock for 1986 even as farmers groups claim such heavy imports betray the government's desperate efforts to flood the market with cheap, imported rice in the face of spiralling rice prices.

Jaime Tadeo, chairman of the Kilusang Magbubukid sa Pilipinas, charged that the food agency does not have enough palay stocks to stabilize prices following the lifting of its price controls last Wednesday. Tanchanco countered, though, that an expected favorable harvest will push down market rates to levels possibly lower than the mandated price ceilings before the October deregulation.

The U.S. rice shipments will bring to 380,000 m.t. the country's rice imports this year, the biggest import volume in history. A total of 110,000 m.t. from Indonesia and another 130,000 m.t. from Thailand under a fertilizer-rice swap arrived earlier in time for the traditional "lean months" from July to October.

Agriculture officials explained that the P.L. 480 rice grant was given at a "very concessional" interest rate of only two percent per annum payable in 30 years.

A top official of the Agriculture and Food Ministry disclosed, however, that the U.S. Government donated its excess rice in exchange for certain "requirements", notably the deregulation last July of the thriving P3-billion flour industry.

PHILIPPINES

INVESTIGATOR DISCUSSES PROBE OF JOURNALISTS DEATHS

HK170900 Hong Kong AFP in English 0648 GMT 17 Oct 85

[Text] Davao, Philippines, 17 Oct (AFP)--Twenty-six Filipino journalists have been killed across the country since 1976, and soldiers and government militiamen were implicated in 11 of the cases, a military investigator said here today.

Armed Forces Inspector General Fustaquio Purugganan, who heads a team probing the killings on orders of President Ferdinand Marcos, also said 10 cases were already considered solved "and there are now persons to be charged in court."

He said the suspects in nine cases involved military men, two involved members of the Civilian Home Defense Force (CHDF), five involved New People's Army (NPA) guerrillas, eight involved civilians, and the two latest killings were under investigation.

Brigadier General Purugganan also told a news conference in this southern city the other day that one newsman has been missing since February.

He said none of the security forces allegedly involved in the killings have been detained but that orders have been issued for their arrest.

He declined to state the motives behind the killings and which of the cases had been solved, saying these were contained in a report he sent to President Marcos recently.

The chief executive ordered an investigation into the killings in August after receiving a petition signed by over 500 Filipino journalists deploring the murder of their colleagues.

Most of the victims were journalists from the provinces, where the 16-year-old government campaign against the communist NPA has been fiercest. Six of them were from this rebellion-torn southern city.



The CHDF is the 70,000-strong anti-communist militia armed and trained by the military to help the anti-insurgency campaign in the hinterland villages.

"Rest assured that we will exert all our best efforts to solve the unsolved cases in consonance with the presidential order," the general said. "Please take care of yourselves," he added.

CSO: 4200/99

PHILIPPINES

WELLINGTON RADIO VIEWS BAYAN, ANTI-AMERICANISM

HK170808 Wellington Overseas Service in English 0610 GMT 17 Oct 85

[From the "Checkpoint" program]

[Excerpts] Parliament is hearing that New Zealand's external intelligence bureau is worried about the Soviet buildup in the Pacific. Russian access to Cam Ranh Bay in Vietnam has given them a valuable warm water port and it seems they are making good use of it. Meanwhile, across the South China Sea, the Americans are facing a crisis. (Kim Ball) looks at [words indistinct]:

[Begin recording] [Ball] The Philippines [words indistinct]. The rebel NPA, or New People's Army, is estimated to have a hard core of 12,000, the same number of back-up forces, and a mass support base of [words indistinct]. The unpopular Marcos regime with its ill-disciplined and often brutal military is giving the insurgents added credibility.

In what was intended to be an unpublicized move, President Reagan this week dispatched Senator Paul Laxalt to Manila to pressure Marcos into reforms. What the U.S. needs is [words indistinct]. We hear from correspondent Keith Dalton about a new attempt aimed at uniting the opposition forces.

[Dalton] [Words indistinct] some leading lights in the Bayan [New Nationalist Alliance] organization, especially former Senator Jose Diokno, who was looked upon as the [words indistinct], felt the Bayan organization had come under the shadow of the National Democratic Front, which is the umbrella organization of the leftwing forces in the Philippines, and in fact could have been used or was about to be used by the Communist Party of the Philippines, and this is something they wished to avoid being associated with. However, although Bayan in Manila appears to have [words indistinct] is not of the same strength which Bayan has obtained in the countryside, especially in the provincial capitals, in cities like Bacolod, in the central province of Negros, [words indistinct], Zamboanga City, and also Cebu City in the central Philippines. All of these provincial capitals have Bayan centers and all of them have apparently been very successful. They have been able to organize spontaneous mass demonstrations, and Bayan in the provincial areas appears to be the most well-organized anti-Marcos group in the Philippines today.

[Ball] It was in the Bayan stronghold of Negros Occidental that government forces killed some 30 people during a Bayan-organized demonstration, known as the Escalante massacre. It's that kind of incident, an example of what the archbishop of Manila, Cardinal Sin, calls their own version of [words indistinct] war, which the United States wants to clean up by military reforms. But the militant leftist movement is unlikely to provide the United States with an alternative to Marcos. Keith Dalton again:

[Dalton] The United States Embassy here has been [word indistinct]. Bayan and other leftwing groups and even middle-of-the-road political groups to try and win them more away from radicals [passage indistinct].

[Ball] [Words indistinct] of New Zealand is an old organization which recently took part in a conference in the Philippines aimed at mobilizing international support for the liberation struggle. It points out that 73 percent of the Filipino population lives below the poverty line, and the United States controls [word indistinct] percent of total investment. [Passage indistinct] says the United States might find it difficult to hold onto its Philippine bases, and their support for Marcos [words indistinct] behind the pale for too many Filipinos. Anti-U.S. feeling is there to stay, with or without Marcos.

[Dalton] I think there will be continued anti-American feeling in the Philippines, especially as many Filipinos believe that Marcos has succeeded in holding onto power over the past 20 years precisely as a result of American support for Marcos. [Words indistinct] they believe the presence of the American military bases in the country makes the Philippines a possible future target in nuclear war, and above and beyond that, the presence of the American bases gives the United States Government much too much say over internal political developments in the country, because the United States can always hold over the Philippines some sort of threat, the withdrawal of the American bases if they say that the political developments are not [words indistinct] the United States. Many Filipinos believe the United States [words indistinct] forces, to ensure the continued presence of the American bases in the country, and by that what I'm saying is that the Americans could help the Marcos government in countering insurgency in the countryside if they believe that at any point the communist pose a danger to the American bases.

[Ball] America may have learned too many painful lessons in the past about military intervention to follow that line in the Philippines. [Passage indistinct] [End recording]

CSO: 4200/99

PHILIPPINES

VERITAS CRITICIZES PROSECUTOR, AQUINO CASE UPDATE

HK171421 Hong Kong AFP in English 1354 GMT 17 Oct 85

[Text] Manila, 17 Oct (AFP)--A Roman Catholic church-backed weekly today said the national ombudsman's handling of the Benigno Aquino murder trial proved that he was the worst prosecutor in the history of the Philippine judiciary.

The VERITAS magazine also charged in a commentary that ombudsman Bernardo Fernandez was "giving the impression that he does not care to win the case at all."

"He has to go down in history as the most incompetent prosecutor in the annals of the Philippine judiciary," it added.

Mr Fernandez leads five government lawyers prosecuting armed forces chief General Fabian Ver and 25 other people for taking part in an alleged military conspiracy behind the murder of President Ferdinand Marcos' chief political foe.

The prosecution upheld the findings of a citizens' board which probed the case--that a soldier shot Mr Aquino at a Manila airport stairway on August 21, 1983 while he was being escorted out of a plane which brought him here from exile in the United States.

Mr Marcos and the military contend that a communist-hired gunman, later slain by military men on the airport tarmac, was the assassin.

VERITAS criticized Mr Fernandez for alleged "insensitivity" to public opinion, and for failing to silence "ugly rumours" that he was receiving instructions on the case from Mr Marcos' legal assistant, Justice Manuel Lazaro.

Instead, the ombudsman was "seen hobnobbing with Lazaro in public places; he even makes Lazaro the principal sponsor at his son's wedding," the weekly charged. Mr Fernandez was not available for comment today.

The chief lawyer of the probe board, Andreas Narvasa, today also challenged President Marcos and the chief justice of the supreme court to a public debate to dispute their statements on the case.

Mr Narvasa was reacting to Mr Marcos' published statements that the board's findings were "based on innuendoes."

The supreme court rejected the board's military conspiracy findings in August, which led to speculations that this would lead to the acquittal of most of the accused.

The verdict is due out not later than mid-January after the trial ended last month.

Meanwhile, a senior military official among the accused today submitted a memorandum to the court asking for an acquittal, the official PHILIPPINE NEWS AGENCY (PNA) said.

Major General Prospero Olivas, head of the police and constabulary forces of Metropolitan Manila, said in his memorandum court that government prosecutors had failed to prove beyond doubt that he was an accessory to the crime, PNA said.

Maj. Gen. Olivas is the fourth of the 26 defendants to plead for acquittal.

Earlier this week, Gen. Ver, Lieutenant Colonel Arturo Custodio and millionaire businessman Hermilo Gosuico also asked the court to acquit them.

CSO: 4200/99



PHILIPPINES

OPPOSITION URGES ALLIANCE WITH LEFT, COMMUNISTS

Makati MR. & MS. in English 30 Aug-5 Sep 85 pp 13-14

[Article by Bonifacio H. Gillego, director, Philippine Affairs, Movement for a Free Philippines: "Alliance With the Left: Desirable & Necessary"]

[Text]



**I**N terms both of our immediate objective — the dismantling of the Marcos dictatorship — and of our long-range objective — the restructuring of Philippine society so that democracy in its political, economic and social dimensions can be realized — an alliance with the left is not only desirable but necessary. And given the conditions that obtain today in our country, it is still feasible.

Even up to now, many of us in the Philippines nurture rigid fundamentalist attitudes and misconceptions about communism in general and Philippine communism in particular. All these years we have been indoctrinated that communism is evil; that communists are devoid of morality; that once a communist always a communist, etc. The military, particularly, believes that the only language communism understands is force. We have been made to believe that communism is an international conspiracy, therefore, communists in our midst are puppets of a foreign power. These simplistic doctrinaire views led us in the past to disdain any relationship with elements of the left. Worse, some of us in regarding the right as the lesser evil would even condone alignment with the most reactionary forces to extirpate communist influence among our people.

#### COMMUNISM AS GUIDE TO ACTION

Communism, as we are now beginning to realize, is an alternative social system with its own ideology, objectives, programs, organizational forms, and strategy and tactics in capturing political power. As a system, it is not incapable of evolving as it adjusts

itself to prevailing conditions or as it reacts to forces that bear upon it both in the struggle for power and in maintaining its rule once it assumes power. Ideology, to paraphrase a familiar dictum, is not a dogma but a guide to action. In order to survive, communism in the Philippines must necessarily make adjustments to existing realities. Incorrect analysis of the situation which led to the adoption of wrong strategy and tactics accounts for the near extinction of an older breed of Filipino communists who are now reportedly even collaborating with the Marcos dictatorship.

International communism is no longer the monolith that it used to be during the heyday of Stalinism and the Comintern. With the emergence of other communist states and especially as these states asserted the primacy of national interests to the demands of the movement, international communism became more and more polycentric, riven by competing claims of legitimacy and leadership.

While initially enamored with Maoism and largely influenced by it in terms of the strategy of protracted warfare and reliance on the peasantry, the CPP has become critical of both Chinese and Soviet policies. Both Pentagon and the AFP can hardly substantiate evidence of foreign direction or assistance to the CPP. We cannot charge therefore Filipino communists as instruments of an international conspiracy or as puppets of foreign power. Nationalism, to them, is a genuine issue, not a tactical device used to deceive people as many of us are prone to believe.

## STRENGTHS & WEAKNESSES

As we enter into an alliance with the left, we should be cognizant of their strengths and weaknesses as we should be aware of ours.

Much of the strength of Philippine communism derives from objective conditions of oppression and repression under the Marcos dictatorship and from the failure of non-communist opposition groups to engage in organizational work and in alliance-building. On the contrary, it was during these years that the CPP increased membership and spread out geographically its party cadres, its armed partisans, and its mass support.

Their inherent strength stems from the synergistic combination of a disciplined cadre party (CPP), an army (NPA) and a political arm (NDF) capable of operating overtly and covertly among sectoral groups and mass organizations of their own creation or under their control. This combination is unmatched by any or all the existing non-political aggrupations combined in our country today.

The subjective intangible sources of communist strength in the Philippines are the exemplary dedication, discipline and commitment of party members who are full-time revolutionaries; the multi-dimensional skills of party cadres as organizers, propagandists and partisans; the adroit combination of all forms of organization (underground with aboveground) and all forms of struggle (armed struggle with legal or parliamentary struggle); and their militant espousal of basic issues as anti-imperialism, anti-feudalism and anti-bureaucratic capitalism explained in a way the peasants, the fishermen and

the urban poor can understand and support.

But communists are not ten feet tall. They can also be as rigid, doctrinaire and fundamentalist in their attitudes as their rightist counterparts. Within their ranks they are intolerant of dissent and deviation from the party line. A common cause of defection among intellectuals is the arrogance and intolerance of communist leadership. The rigors of guerrilla and hunted existence lead to desertions. Their primary reliance on the armed struggle poses a dilemma as they may not be able to muster enough arms to proceed from strategic stalemate to strategic offensive during which period guerrilla forces are converted into regular units. Their present attitude and behavior, evinced in the formation and break-up of BAYAN, can lead to over-confidence, adventurism, and disaster.

## TENDENCIES TO MODERATE

The premise of this proposal is that Philippine communism is not a closed system. It can be tempered and restrained by forces and conditions that it confronts in the process of the struggle. The tendencies that can be moderated are:

(1) The "totalitarian temptation" inherent in communist practice and organizational structure.

(2) The primary reliance on the armed struggle in capturing political power.

(3) The tendency to direct "the main blow" against non-communist leadership within an alliance.

(4) The resort to deception in creating front organizations for tactical reasons.

An awareness of these tendencies should alert the leadership of non-

communist groups to create forces, opportunities or situations which can restrain their otherwise untempered manifestations.

For a single personality or group to enter into an alliance with the left with the expectation of being able to provide the moderating influence would be naive and disastrous. It is, therefore, incumbent upon non-communist groups to:

- (1) Build up and strengthen their respective organizations.

- (2) Build-up and strengthen an alliance among themselves.

Only a strong non-communist alliance can demand parity in representation and in policy-decision making from communist groups within the larger alliance. Only on the basis of comparable organizational strength can they constitute a countervailing force within an alliance to prevent it from being a captive organization. Even as it is presently constituted, the NDF is not homogeneous in its attitude toward other political groups. Non-alliance with elements of the NDF will only strengthen the leadership

of the hardliners within the NDF and enhance their control of sectoral groups and mass organizations.

It is possible that when an alliance is built on the bases of parity of strength, sincerity of purpose and common self-interest, genuine transformation in the political orientation of participating groups may ensue.

The liberal or social democratic position may be too effete to restructure our political and economic institutions. The communist position may be too radical to suit the temper of our God-fearing and peace-loving people.

The outcome of the alliance working together in the process of gaining political power and in maintaining a democratic coalition in power may likely be the establishment of a popular democracy as the synthesis or compromise between the competing claims of national democracy espoused by the communists and of elitist bourgeoisie democracy which adheres more to the form rather than the substance of democracy.

PHILIPPINES

WEEKLY REPORTS HAMLETTING IN ABRA PROVINCE

Quezon City VERITAS in English 8 Sep 85 p 13

[Text]

**S**OLDIERS of the Philippine Army's 45th Infantry Battalion have threatened to set up hamlets in the villages of Be-ew, Alanting, Apatan, Ataki, Kili, and Tabakda. They have also threatened to bomb these villages."

This urgent report was contained in a letter sent by the people of Tubo, Abra province to Baguio City media. The letter, dated August 25 and written in Ilocano, also recounted incidents of military abuse and harassment of the people in Abra.

Last August 11, the letter said, the people of Luba town were called to a mass meeting by one Capt. Lemuel Lupang of the 13th PC Company. "He told us that all sympathizers of the New People's Army should surrender and take an oath of allegiance before Gen. Dumpit (commander of the Regional Unified Command I)." If no one surrendered, Capt. Lupang reportedly warned, the municipalities of Luba and Tubo would be declared "No man's land" or free-fire zones. This meant forced evacuation or families being forced to stay home, curfew hours imposed. And anybody found in the mountains or hunting grounds would be arrested or shot.

**E**ARLIER, on the night of August 4, a Lieutenant Fajardo led 32 men of the 45th IB in search and destroy operations in Tubo. The Army troopers, the people claimed in their letter, forcibly entered homes and granaries, and even man-

handled a villager, later identified as Lino Banggoy. The villagers were divested of hundreds of pesos and several valuables.

Before leaving the area, the soldiers were quoted to have warned the people: "Addanto aldaw yo!" ("You'll soon have your day!") "They accused us all of being NPA guerillas," the people said in their letter.

The Tubo residents also recalled in their letter that in 1983, a group of Constabulary troopers led by a certain Capt. Ambrosio Berredo, came to their town. "They burned our granaries, our sugarcane mills, and four of our houses. They looted, abused, and hurled insults. They killed a little girl, a barrio councilman, and a pregnant woman. Two years, three months, and 20 days have passed since this happened, yet we continue to suffer," the people wrote.

Besides military abuses and harassment, the people of Tubo and Luba also suffer from poor health. Thirty-one children have died of measles, diarrhea, and respiratory ailments since February this year. Many farmers suffering from various ailments have been unable to properly tend their ricefields. All these have severely affected the towns' economy.

The letter also urged, "Bring these to the attention of our fellow Igorots, of our fellow Filipinos. . . We ask that a fact-finding and medical mission come to our barrios."

CSO: 4200/61



PHILIPPINES

VERITAS REPORTS 'BLEAK' BUSINESS ANALYSIS

Quezon City VERITAS in English 8 Sep 85 p 17

[Text]

**T**HE government of President Ferdinand Marcos is in a difficult situation, trying to balance the demands of foreign creditors with the prospect of popular protests these belt-tightening measures will trigger, an analysis paper prepared by a group of businessmen and professionals said last week.

The Makati-based group outlined the restrictions set by the International Monetary Fund (IMF)-designed "economic recovery program," which it said, is virtually "a plan of debt repayment." It also predicted bleak prospects for the growth of different sectors in the economy for 1985 and 1986 and a lack of alternatives to the Philippine government, given tight IMF restrictions.

Among other things, the IMF calls for market-determined prices and exchange rates, removal of import controls, a ceiling on budget deficits and reserve money, and wage "restraints."

But floating exchange rates and budget deficit and reserve money ceilings will frustrate Philippine government attempts to print more money in order to reduce interest rates and spur private investment, said the business group.

The removal of import controls, on the other hand, will reduce the Philippine government's power to influence the exchange rate. It can devalue the peso at an even faster rate to spur exports, the group said, but even a controlled devaluation of P21 or P22 to the dollar will not change overall export performance beyond a predicted growth rate of 5 percent.

The continued fall in world oil prices will allow some devaluation without much inflation, which is the precise target of both Mr. Marcos' government and the IMF. Again, this is no guarantee that overall export performance will improve.

The group's projections on other sectors of the economy are as follows:

1. Agriculture: The food sector will prevent a total economic collapse and is therefore attractive to multinationals and local businessmen. The picture looks good, assuming favorable weather in 1985 and 1986. The part of agriculture devoted to export crops, particularly coconut products and sugar, are not likely to recover due to continued depressed world prices.

2. Industry: The country's import-dependent sector was hardest hit by cuts in trade credits. This halted production and caused lay-offs, which, in turn, induced the disappearance of the domestic markets. The industry's contribution to national output fell by 12 percent in 1984, is likely to fall at about the same magnitude in 1985, and record a "slightly positive growth in 1986." Some 400,000 to 500,000 lay-offs may occur in 1985.

3. Investments: Investments will drop further due to the prohibitive cost of financing and tight government budgets for investment. Real government spending will drop by 25 percent.

4. Consumption: Consumption is expected to show minimal (practically zero) growth in 1985 and 1986, primarily due to the depressed purchasing power of consumers.

Given such bleak prospects, government hopes might hinge on an early reconsideration and renegotiation of the IMF program, but this will not happen, the group said. The Philippines can prove its capability to be faithful to an IMF program only by the end of 1986, while reschedulings actually result in a heavier interest burden.

Official development assistance, in the form of grants and loans, can change the picture, but only if Mr. Marcos can obtain \$1.0 billion in "new money" per year for three years, which the group claims, is needed to prime the economy. -- PNF

PHILIPPINES

ARTICLE DESCRIBES NAVY OFFICER'S NPA CAPTIVITY, RELEASE

Hakati MR. & MS. in English 13-19 Sep 85 pp 6, 7

[Article by Fe B. Zamora: "After 105 Days as NPA's POW"]

[Text]

**T**HE phrase was obviously borrowed. "To the families and friends of the freed captain," they wrote, "to his wife and their children, their fearful trip is done, but this time, their captain is not dead." The allusion to "Oh Captain, My Captain" was, of course, somewhat erroneous: Ruben G. Domingo is not a captain but a Philippine Navy commander, the equivalent of a Lt. Colonel in the army.

But for his captors' naivete on military terminology, the facts remain the same.

The 37-year-old Cdr. Domingo, after 105 days as prisoner of war of the New People's Army, is alive and well. His fearful trip, indeed, is done. Tired, unshaven and 30 lbs. less in weight, Cdr. Domingo descended from the NPA mountain lair in Misamis Oriental last Aug. 17. "We deeply understand the moments of agonies and the far cries (sic) they (Domingo's family) had to go through," the NPA-Misamis Oriental expressed. But they had to release him, after ignoring a July 15 deadline anchored on "we would release him if. . ." terms and an un-met first-ever prisoner

swap deal, for humanitarian reasons and for "our strict adherence to the policy never to harm captured prisoners who have not incurred blood debts to the revolutionary party, army and people. . ."

Cdr. Domingo, went the NPA's account, was "captured" when a band of guerilla fighters pulled off a tactical offensive at the Mindanao Steel Corporation (MINSTEEL) compound in Lugait, Misamis Oriental last May 5. Killed during that raid were two MINSTEEL security guards and one government trooper. Domingo, MINSTEEL's vice-president, was taken along as "prisoner of war".

In his version, however, Cdr. Domingo said he "voluntarily" surrendered himself to the rebels when they "threatened to destroy the plant and kill the workers inside". Handcuffed by a Red Fighter called Nomer, and divested of his wristwatch, money and personal belongings, Cdr. Domingo was then turned over to a certain Wilson. Then began long, tedious uphill treks with utmost security. Two days later, Cdr. Domingo would come face-to-face with the highest NPA official in the area, or

so he concluded because "everybody reported to her and got orders from her", a Red Fighter called Meriam.

The marches to the hinterlands seemed endless. The group never stayed for more than two days in one place. Always handcuffed, Cdr. Domingo, heavily secured by 17 fully-armed men mostly in their late teens, often-times heard helicopters passing over and of guns popping every now and then. Still, the group he was with "deliberately avoided encounters", letting other heavily armed support groups face the 2nd Scout Ranger Battalion operating in the area.

Resting in houses of native farmers who fed them, Cdr. Domingo underwent lectures on the ills of the U.S.-Marcos dictatorship and on the necessity of a national democratic revolution. In a genial discussion with his captors, Cdr. Domingo found out Meriam's background: her real name is Ma. Luisa Pucray, that she was a former school teacher, and that she is the Secretary of the NPA Front Committee Misamis Oriental Front 12. He found out too that most of the NPAs with him were illiterates with only a few elementary or high school graduates. Those with college degrees, he said, occupied the ranks of political officers.

Still, Cdr. Domingo says he was never harmed. He "overheard" though the rebels discussing among themselves how they tortured suspected military informers, how they gloated over their successful liquidation of Iligan City radio commentator Charlie Averilla, Initao Mayor Cesar Magno and Councilwoman Pacana. "To escape was foremost in my mind," he said too, but there never was a chance to do so.

Why was he released? Cdr. Domingo said the decision was arrived upon after a People's Court found him innocent of any crime. "I have helped a number of residents in Lugait get employment in MINSTEEL. Perhaps, that did it," he says. The NPA command, in fact, affirmed the just decision. "We believe that he is a good man, a good man in the wrong organization, however." The NPAs added that there are more Cdr. Domingos in the AFP who, "with their stifled sense of patriotism buried down the ladder of command, would like to work for and do away with the choking tyranny making puppets out of them". To them, the NPAs - exhorted: "We ask them to go beyond the level of cosmetic reforms and transcend their efforts towards national democratic movement. . ."

Safe and sound and already debriefed by military intelligence, Cdr. Domingo's life now centers on regaining the lost pounds and of catching up with the voluminous paper work that piled up during his absence from the office. In recognition for his "conspicuous gallantry in the face of numerically superior terrorists", Cdr. Domingo also earned the Distinguished Conduct Star last Sept. 2.

Still, some questions have remained "unsolved" with nobody willing to shed light on them. During his captivity, the NPAs demanded a five-million-peso ransom which they later reduced to one million. The ransom note was sent to Fe Domingo, the captive's wife.

MINSTEEL initially maintained a hands-off policy, leaving the case to the enforcers. Some sources who requested anonymity, however, revealed that the Domingos and MINSTEEL paid up, raising

P500,000.00 each to settle the one-million ransom.

The NPA, curiously, thought that the prisoner swap deal was more vital than the ransom money, or so they relayed in the official pronouncement. "No such exchange took place. Did we ever buckle down to it? From our point of view, the answer goes beyond the realm of a yes or no . . . Expectedly, the regime has all the reasons to ignore our very existence, proclaiming once and for all it is on top of every situation. But the whole fight is not ended overnight. Guerilla flexibility teaches us so. By opting for the release of Captain (sic) Domingo, with no political prisoners in return, it is with firm realization that tangible victory can be transmuted to other forms . . . The unconditional release of all political prisoners only comes in the event of total victory."

That "total victory", they said, would be the dismantling of the U.S.-Marcos dictatorship. If and when, then they can add another line to their borrowed phrase: the prize we sought is won

PHILIPPINES

WEEKLY REPORTS YELLOW, RED TEAMUP IN DAVAO MARCH

Makati MR. & MS. in English 13-19 Sep 85 pp 8, 9

[Article by Aurelio A. Pena: "Yellows and Reds Team Up for 'Impeach Marcos' Drive in Davao"]

[Text]

**I**F the yellows and the reds are splitting up in Manila, nothing of this sort has happened in Davao City.

At least, not yet.

Butz Aquino, chairman of the newly-formed BANDILA, and Silvestre Bello III, acting chairman of BAYAN, marched shoulder to shoulder along the main streets of that rebel-infested city last Aug. 30 while city residents, still recovering from the past week's three consecutive rallies amidst daily killings, turned up by the hundreds on the streets to watch the spectacle.

"I'm not anti-communist, I'm a non-communist," Aquino told a jam-packed crowd of around 300 Rotarians at Apo View Hotel before the march that followed. "My group, BANDILA, which is not a political party, believes in a pluralistic society where people of all persuasions are allowed — like the United States and Italy where the Communist Party is not outlawed by the government."

The youngest brother of the slain Opposition leader Benigno

Aquino was accompanied by former U.P. president Emmanuel Soriano in the Davao trip to formally launch BANDILA's "Impeach Marcos" nationwide campaign.

Amidst thick confetti falling from buildings on that "Yellow Friday" march-rally spearheaded by the local coalesced Opposition group called KATAWHAN, Aquino, Soriano and Bello waved to hundreds of supporters lining the streets and peering from windows of buildings. Also joining the march were local Opposition leaders led by lawyer Prospero Nograles, city chairman of the local UNIDO chapter.

Familiar faces among the radical youths who were seen the past week shouting "Down with U.S.-Marcos Dictatorship!" with clenched fists were now joining the new groups waving yellow banners shouting "Impeach Marcos" and brandishing the LABAN "L" sign. Yellow ribbons were seen tied to many jeepneys and cars while yellow bunting hung across the streets.

But Butz Aquino, a non-believer



in violence like his martyred brother Ninoy, told the estimated crowd of 5,000 who gathered at the city's Rizal Park late in the afternoon, to be "wary of the communists" and to be "prepared with an alternative" to the Marcos government. Otherwise, he warned, "we might be swamped by other violent groups who would not hesitate to advocate a revolution to realize their aims."

Although Aquino admitted that BAYAN is "dominated by the National Democratic Front" and suspected by the military as the political front of the Communist Party of the Philippines and its military arm, New People's Army, he declared however that BANGSAWIL will still work with it.

One Opposition leader quipped during the rally that FM may have ordered PAF jets to seed the skies above Makati the other week to bring down the rains during the Aug. 21 rallies in the country's capital city. "Just hope nothing like that happens here," he said. A few moments later, a fire broke

out just three blocks away from where the rallyists stood. Great billows of black smoke could be seen rising up to the sky, as Aquino tried to speak above the din of wailing fire sirens. Most of the crowd, however, ignored the raging fire.

Like a 20-year-old fire raging the country that must be put out, Aquino blamed the country's problems to the 20-year-old "dictatorship of President Marcos where militarization has increased five times, where insurgency has increased ten-fold, where only ten per cent controls the nation's wealth, where 75 per cent of the people live below the poverty line, where elections are rigged and where the country wallows in its 26 billion dollars foreign debt."

"Tyrants like Marcos prosper because people don't give a damn," Aquino said, his hoarse but loud voice reverberating against the City Hall building across the park. "Let us liberate ourselves and make our own future."

PHILIPPINES

OPPOSITION'S MITRA DISCUSSES TIES WITH EDUARDO COJUANGCO

Makati MR. & MS. in English 13-19 Sep 85 pp 22-30

[Interview with Ramon Mitra, PDP -Laban assemblyman by Belinda Olivares-Cunanan--  
"Mitra on His Cojuangco Connection: 'I Am Not That Big a Problem to Him as He  
Is to Me'"]

[Text]

**Editor's Note:** With talk about the possibility of Cory Aquino's candidacy in the Opposition, 57-year-old Palawan Assemblyman Ramon Mitra has been mentioned as her possible running mate. But despite an impressive record in the defunct Congress and the Batasan, Monching Mitra's political take-off appears to be stymied by his dealings with No. 1 administration crony and industrialist Eduardo "Danding" Cojuangco. The industrialist, on the other hand, has recently figured again in the news when he was accused recently of foisting yet another monopoly, this time over the flour and wheat industries.

Last week, writer Belinda Olivares-Cunanan sought out the Palawan solon in an effort, as she put it, "to write the definitive story about Mitra's 'Cojuangco connection.'" The writer sensed that Mitra had apparently felt that this issue was coming to a head, for when the request for a no-holds-barred interview exclusively on the 'Danding issue' was made, he showed no hesitation in accepting

it. He had only one request: to have the interview early in the morning when "my faculties are at their best". In the three-hour breakfast interview, Mitra was, noted the writer, mostly serious and pensive, but at times hurt and even angry.

Below are excerpts from the taped interview.

**BELINDA OLIVARES-CUNANAN (BOC):** *What exactly has been the nature of your relationship with Danding Cojuangco? You said in the past that this has been a two-generation relationship.*

**RAMON V. MITRA (RVM):** Danding is a good friend, but we do not share our politics. We remain friends because we respect each other's political commitments; if we did not, then we would not be friends. He has demonstrated this, and so have I. In the last Batasan election, he fulfilled his commitment to his party. In Palawan where he has an island, Bugsuk, with four precincts, I had hoped that as a friend he would at least be neutral,

but he was not. In those four precincts controlled by him, I got only 12 votes as against almost 2,000 for Teddy Pena, and that's big in a constituency like Palawan.

In Iwahig Penal Colony, which had been a source of support for me in the past — my father was the first Filipino superintendent there and I practically grew up there — the director of the Bureau of Prisons, Gen. Vicente Eduardo, is a Danding man. Last election, the prisoners' families were compelled to vote for Pena on the promise that their prisoners would be pardoned. In Central Iwahig, I got only 46 votes where normally I got thousands. It was almost as bad as in Pagdanan Lumber, owned by Mel Mathay, where I got only 10% of the votes.

**BOC:** *How long have you known Danding?*

**RVM:** Since we were young men. His mother, Josephine Murphy Cojuangco, is from Baguio and her family and my father's were friends. In fact, when Danding and I speak to each other, we speak in Ilocano, for some reason, which dates back to Baguio. We went to different schools, but when I became a newspaperman, I got to talk to him occasionally. He was a friend of the late Mayor Tony Villegas of Manila, with whom I was working; it was then that we really became friends. We saw Marcos together when the latter was in the Senate, and this was, I think, the beginning of the friendship between Marcos and Danding.

**BOC:** *What was Danding in those days?*

**RVM:** He was an ordinary businessman and we were and are

both cockfight aficionados. Our wives (Cecile Blanco Mitra and Gretchen Oppen Cojuangco) knew each other in Negros; they belonged to the Kahirup Club. But this friendship between Danding and myself was really on and off — we'd see each other in the cockpits or in the Visayan group or when we were in Baguio. Until the time when I was a Congressman (Mitra was first elected to Congress in 1965) and I saw him at a Malacanang reception in the late '60s. He asked me if he could go to Palawan and explore investment opportunities there.

I told Danding that if he was serious he could come with me the next morning. At six a.m., the following day, we flew to Palawan in a private plane he had brought, and he met with the district officers there. I showed him the places where I wanted investors to come in. Flying to Bacolod that same day, Danding was back the following day with his parents-in-law and they visited the places I had taken him to. One week later, Danding had 35 people in Palawan surveying the areas. I had never seen anyone act that fast and I was encouraged. I told the governor, who was a Nacionalista, the provincial board and the council that we had found an agriculturist who was interested in investing in the province.

**BOC:** *What did he buy up?*

**RVM:** He wanted a part of Palawan's Quezon province to put up a sugar central, but his survey found that the topsoil was not deep enough. There was a lull in his activity in Palawan, for some time, until he found Bugsuk some years later. He wanted to exchange his

It is a personal friendship of two men whose politics don't jive; Mitra is deeply committed to the opposition & Cojuangco is convinced Marcos is the greatest thing humanity has produced

hacienda in Tarlac, which was a working hacienda, with the Bugsuk area under the Land Reform Law. The deal came through in the '70s when we were already under martial law.

**BOC:** *Did you have anything to do with the Bugsuk deal?*

**RVM:** No, I had nothing to do either with the survey, the transfer or the setting up of that island. I never got to see the operation until they had an airstrip. At that time also, I had already been sent to detention in Fort Bonifacio (for several months) and that was when I didn't talk to anybody who was involved with martial law. When I got out of prison I saw him occasionally in the cockpit, but the few times we talked proved acrimonious.

**BOC:** *Because of political differences?*

**RVM:** Yes, and because he was listed as among the six who had plotted martial law. You can understand how bitter I was over the whole thing. I saw him at the cockpit several times and once when my friend and partner, Peping Cojuangco, (Danding's first cousin and Cory Aquino's brother, ex-Cong. Jose Cojuangco of Tarlac) was with me, Peping asked me, 'Why does it have to be this way?' I said I don't feel happy about it either, but when you run into somebody who sent you to prison, you don't feel good about it.

**BOC:** *How did you reconcile with Danding after your imprisonment?*

**RVM:** Ultimately it was Peping Cojuangco who brought us together again. He said there was no sense in the two of us being enemies, and he invited me to Bacolod where we met Danding and talked. Danding is really a warm person and after that the personal relationship recommenced.

**BOC:** *With your arrest and imprisonment you lost your Senate post and didn't have a job afterwards, but you recovered financially. People are speculating that it was done with the help of Danding?*

**RVM:** I didn't get it through business with Danding. I was in business, in fact, with Peping Cojuangco — I had a cattle feedlot in the hacienda of Peping's family (Hacienda Luisita in Tarlac) and Peping, in turn, was using my property in Lipa. What happened was that when I got out of prison, I stayed away and sulked in Lipa. I had no money, with just my old house in West Avenue, Quezon City, which I had when I entered Congress. I sold that house and used the money to buy a ranch in Kalinga-Apayao, which nobody wanted because a number of people were beheaded there, and worked and developed it myself.

**BOC:** *How did you get into copra and all this talk about you having dealt with Danding businesswise?*

**RVM:** Sometime in 1980, my brother-in-law, husband of my youngest sister, asked me to go down to his hometown of Sta. Magdalena in Bicol, where they were complaining about the copra business. I thought it was a good

idea to buy copra in that small town, so he and I set up a copra-buying station. There was only one Chinese buyer there to whom everyone sold. We set up our station and soon we were buying most of the copra. We sold to Legaspi by truck, sometimes getting money in advance for what we have in the bodega.

**BOC:** *Was Danding already into copra then?*

**RVM:** Danding was already involved in copra at that time, and he already had COCOBANK. Danding and I never discussed this and we didn't really see each other regularly at this time. But I was selling to Legaspi Oil, owned by United Coconut Oil Mills (UNICOM), of which Danding was President. This was where everybody sold to. We were the ones weighing the copra and also loading it. Because our scale was correct, everyone started selling to us at the same price that the Chinese were buying. We had money already, so we opened the next station at Irosin and then in Bulusan.

Meantime, Sorsogon Governor Raul Lee, a fellow Bedan, had been told by a soothsayer that there would be a bearded fellow, "a good man", who would go to Sorsogon. Lee was told to support this man, so he sought me out and did just that. His father was the big copra don in all of Sorsogon and he encouraged me.

From Bulusan I set up stations in Bulan and other areas of Bicol. The Chinese traders had predicted that I would go strong only for six months, after which I would

disappear. After six months they weren't laughing anymore. After eight months these Chinese were selling copra to me; after one year they were my partners. We opened stations in Masbate and Albay.

I set up a new mode of trading and probably because I was new in the business, I could see what they couldn't see. I saw a big bodega in Legaspi and leased it immediately, trying to see how I could put it to use. It so happened that at that time there was so much copra the people didn't know where to put it. I had the big bodega and when the Legaspi Oil Company needed it, I entered into a trading scheme with them, in exchange for the use of my warehouse. So with very little money at the start, we were able to expand our operation. One thing that helped me too was the coconut oil mill in Pasacao, Camarines Sur, which belonged to Gov. Juan Trivino. I was its exclusive supplier and the daily consumption was 75 tons. Our company also became the No. 1 supplier of copra for Legaspi Oil in 1981.

**BOC:** *All this time you had no capitalization from Danding Cojuangco?*

**RVM:** No capitalization from Danding. But by this time I was already selling to Danding's companies, such as Metroplex in Muntinlupa and Laguna Oil Mills in Lucena, but I was also selling to his competitors, such as Proctor & Gamble PMC, and Philippine Refining Company. Whoever offered me the best price. By that time Danding and I were already talking — he knew I was in copra and we got to know each other better.



**BOC:** *How did all this talk of your 'Cojuangco connection' get started?*

**RVM:** Anybody who is involved with copra would be linked to Danding somehow, and especially myself, because of our personal relationship. Aside from trading with him in copra, there were other things that I did for Danding. Among the things I feel I can claim some expertise in is in ranching, perhaps because my Kalinga-Apayao ranch, from the point of view of return on investment, is probably one of the best in Luzon. I was born in a cattle ranch and did a lot of studies on cattle. Danding wanted to go into the cattle business and asked me to prepare a project study for him. He found it very interesting and asked me to put it in more detailed form. He asked his financiers to see if the project was viable. In addition to making this project study, I also set up the cattle organization for him, including the people to run it. For this entire project I got a straight professional fee.

The ranch I set up for Danding is in Isabela. I discouraged him from setting up a very large contiguous ranch, as I felt one cannot do this sort of thing without stepping on the toes of people. I convinced him to have one focal ranch instead, and buy small ranches, and then operate them together. I understand it's working very well.

**BOC:** *What other jobs did you do for Danding?*

**RVM:** Some purchases of cattle in Australia — the Belmont Reds. I had nothing to do with his present ranch in Australia, as I was not the

one who negotiated it. All I did for him was to buy cattle, talk to some technicians and pick out some people to be involved in his cattle business, both here and abroad. After that I was completely dissociated from him.

Then sometime in 1982 I negotiated to buy the Business Day newspaper for Danding, but when I made the offer to the publisher, Raul Locsin, I didn't disclose who my principal was. I didn't think it was fair at that time to do so, as there was a lawyer-client relationship. But the deal didn't push through.

**BOC:** *Did you ever join his staff at any time?*

**RVM:** After I had done some projects for him, Danding asked me to join his staff; it was an offer that was difficult to refuse, since at that time I had no political ambitions. I could have joined, since I liked the way he worked, but I did not do so. My trading company was doing very well — at its peak I had 37 buying stations — and besides, I treasured the luxury of my independence. Above all, I preferred to be in a position to give Danding's boss, Marcos, hell.

**BOC:** *Are you saying that you didn't enjoy any special relationship with UNICOM? The perception of some people is that those who made good in copra are a very small clique, and the fact that you made good would seem to indicate a special relationship with him.*

**RVM:** UNICOM was dealing with everybody, not just me. Danding is a very strong executive, but he is



also very jealous. He would not want his money used against him, that's for sure. I was selling to his competitors, and he knew it — he even used to kid me about it. And I was doing very well.

What kind of special relationship can you enjoy, for instance, when the price of copra was uniform. Occasionally, there were variations, it is true: one gets a better price or better treatment from one company than from the others. But I was selling to all, to Cojuangco as well as to his competitors.

**BOC:** *People are speculating that you were lent money by Danding when your wife fell ill.*

**RVM:** Nobody helped me when Cecile fell ill — that's the truth. At that time I had offers of sympathy, but never any material assistance from anybody. I don't think Danding knew about Cecile's condition then, as we had no close contact at that time. It was Peping and Tingting Cojuangco who were at the hospital almost every day. That period was a terrible financial problem for me and I sold cattle to see us through.

One of those who showed kindness to us in the early '70s was Gerry Roxas. Knowing my financial condition when I got out of prison, Gerry called Cecile and gave her P10,000. Gerry had been my political benefactor too.

**BOC:** *You say that your politics and Danding's don't jive. How is this?*

**RVM:** Danding talked to me at least twice about seeing the President. He said that after all, we were all friends before, when Marcos was in the Senate. This was around 1979 up to 1981, when

there was already a lot of political activity. I refused. In turn, I have also talked to Danding about abandoning Marcos; I told him that Marcos is headed for the precipice and is bringing the country with him. "Why don't you grab him and put him in a straightjacket and save him?" I told Danding. Whenever I said these things, even if there were just the two of us, Danding would stop me. He would really feel hurt.

Obviously Danding is convinced that Marcos is the greatest thing humanity has produced. He also seems to be able to find a rational explanation for some of the crazy things Marcos does, and thinks he can solve any problem in the world.

After the second time, Danding stopped asking me to see Marcos, just as I have stopped talking to him about abandoning Marcos. And whenever somebody would bring up the subject of politics and I happened to be around, he would stop that person from talking because it would become acrimonious for all of us, and we'd end up quarrelling.

But that is probably why we have remained friends — because he respects my own commitment to the Opposition. And I'm telling you, he is also having a difficult time explaining why he is talking to me at all.

**BOC:** *There's talk that he not only supported you with campaign money during the May 1984 Batasan election, but also planes and helicopters as well. Also, some people are saying that the reason some KBL diehards in your province did not campaign full-blast for your opponent Pena was because the word was out from Danding that you were to be helped; that your poor showing in Bugsuk and Iwahig was all palabas.*

**RVM:** No. 1, regarding the use of aircrafts of Danding, I did not use any of them for the campaign, though they were available. No. 2, Danding did not help me financially during the campaign — when I sold my copra trading company I had enough money for my campaign. I cashed in my chips.

**BOC:** *You sold the company before election? All the stations, including those in Palawan?*

**RVM:** Yes, everything. I decided to sell out when I made up my mind to run. I needed the money, and besides I knew I wouldn't have the time to run it anymore. You should have seen the crying in my office when I brought down the sign of the company.

No. 3, about the KBL leaders, who were they? The governor — you should have heard the kind of invectives he used on me — might have destroyed himself by campaigning as hard as he did for Pena. The governor compelled the people to make their choice and they made that choice for me. Now he has lost them and he will lose in the next election. The mayor of Puerto Princesa, who used to be my campaign manager before, fought so hard for Teddy Pena last election; we will also beat him this coming election. All the KBLs there did everything to beat me — all the 21 mayors and nearly 90% of the barangay captains were against me, plus the resources of three ministries.

By the way, the negligible vote I got in Bugsuk was not a surprise to me because in 1971, when I ran for the Senate, Danding had committed to supporting me. I was supposed to come out No. 1 in Tarlac because of Ninoy, Danding

and Peping. Three weeks before election, however, Danding told me, "*Pare, pasensiya ka na, tuta ako, eh. Ang order ay 8-0 sa Tarlac. Pumunta ka na lang sa Tarlac and mangampanya ka and I will not bother you.*" I felt bad but didn't say anything. That's why after that election, every time I would meet Danding, he would say, "*Ang kalibigan mo na hindi tumulong sa iya.*" When Danding withheld support for me in Palawan in 1984, I was disappointed too but not surprised: his loyalty to Marcos is absolute.

**BOC:** *We come to the crux of the matter. The question that really bothers a number of people is, supposing by an act of God you do end up in the No. 1 or No. 2 position in the land, they are not convinced at this point that you could act independently, or for the country's higher interest in case of a conflict with Danding's interest. This is because of your friendship and relationship with Danding in the past.*

**RVM:** The answer to that is clear in my mind. I look at things objectively — whatever I think is right, that's what I'll do. If it is good for the country and incidentally also favors Danding, I'll do it, even if it means strengthening the belief that we have a special relationship. But if I don't think it is good for the country I'll oppose it even if it's good for him or anyone of my other friends. I will follow the dictates of my conscience. I'm sure that he will understand, as I have done in the past. I will be objective. I have been objective in all these things that I have confronted and I will not be different when such things come up.

Of course there is no 100% guarantee how a person will act.

The only way is to look at the person's track record on questions that involve principles. What a person has done in the past is usually a fairly good gauge of what he will do in the future under similar conditions.

What I'm saying is that I have a track record of upholding things I believe in, and even those people who have been dear to me or friends of mine, or to whom I had owed favors in the past I have gone against, when I felt that a higher interest was at stake.

**BOC:** *What cases are you citing in the past?*

**RVM:** For instance, my own father (five-term Congressman Ramon Mitra, Sr. of Baguio), had wanted me to vote for Cong. Pepito Laurel for Speaker, rather than for Cornelio Villareal. My father reasoned out that we were indebted to the Laurels, as the senior Laurel had saved my father during the Japanese time. But I told my father that I was elected a Liberal and there was a Liberal candidate for Speaker. So I voted for Villareal. My father did not talk to me for a long time.

Then there was Felipe "Baby" Ysmael, who was the first and biggest contributor to my 1965 campaign. Ysmael, who was also a close friend, had asked me to stop fighting the increased capitalization of the PNB, where he was a big borrower. He asked me this as a personal favor to him. I told Baby I'm sorry, but I don't believe it is good for the country.

Then, too, despite the fact that I was a big favorite of Speaker Villareal, who used to look after me and had been very generous to me as a Congressman, I voted and

fought against the PHILCAG bill. Villareal was very angry with me, for he had hoped to show Marcos that he was in control of the House; after that, important privileges hitherto extended to me were withdrawn.

Close as I am to Danding, he is not as close to me as my own father was. Or Villareal as a source of political power. Those people had asked me things that I could have yielded, which were reasonable, but there was never any doubt in my mind as to how I should behave. I like to think I would carry this stand with me the rest of my life.

**BOC:** *Another thing being said is that Danding tried out the "sari-sari store" concept in several provinces, notably Tarlac and Negros, and that you were instrumental in setting it up in Palawan.*

**RVM:** No, it was never tried in Palawan. We discussed that concept and I contributed some ideas. You know, Danding has the instincts of a Chinese trader because he is part-Chinese, and he felt that the sari-sari store concept is one way of reducing costs; but the objectionable part is that it would end up in some kind of a monopoly.

**BOC:** *But you must admit that it is a fantastic gimmick if you have political hegemony in mind.*

**RVM:** Yes, but not a single unit was organized in Palawan. I would know if there is such a set-up in my province.

**BOC:** *Another thing they are saying is that your son works for Cojuangco for a generous salary, but without much work to do. In other words, there is again that talk*

*of a special relationship that makes something like this possible.*

**RVM:** My eldest son, Eduardo, 25, works for a company called Philippine Technology, Inc., where Danding's son, Mark, is chairman of the board and the president is Ramon Ang. Eduardo, who finished Economics at the U.P., is currently on leave without pay from this firm because he is finishing his MBA at La Salle. In this firm, my son used to manage the heavy equipment depot in Pasong Tamo for a salary of P3,300. He got this job on his own, without my help, and it is a purely professional arrangement. I am really quite proud of the boy.

A number of people have suggested that my son should quit this job in view of its controversial nature. I really could have asked him to quit and nobody would be bothered anymore. In fact he himself has offered to quit if, he said, it bothered me that much. But I told him that I find it demeaning for him and for myself that I have to get him out of that job, as though it is something wrong that we have to hide. My son is on his own and has a bright career ahead of him. The question is, will we let people push us around just to prove or disprove something?

**BOC:** *There is also this talk of a "Mindanao Summit" once between Minister Juan Ponce Enrile, Danding Cojuangco and yourself which discussed, among other things, the prospect of Enrile and Cojuangco running for the presidency and vice-presidency, respectively, with you as campaign manager.*

**RVM:** I have never heard of it, and I was never involved in any discus-

sion of the political plans of the two of them. By the way, in my talks with Danding, I do not know that he is interested in being a candidate at all.

**BOC:** *Despite the current talk of a Marcos-Cojuangco tandem?*

**RVM:** I am not aware of any such plans.

**BOC:** *There's also talk that because of your excellent connections with the KBL, including and specially Danding, you're supposed to be the KBL's pipeline to the Opposition. People are aware that you have been friends with some major KBL personalities in the past, some of whom may want to link up with the Opposition because their ambitions may not be realizable within the ruling party. The speculation is that they may use you to establish rapport with the Opposition.*

**RVM:** To those people in the Opposition who say this, I would like to pose these questions: Do they have as much vested interest in the Opposition as I have? Can they point out any single thing that I've done in support of Marcos; or that I have ever opposed any issue supported by the Opposition?

For 20 years I have been fighting Marcos and I'd like to ask those who question my credentials as an Oppositionist to show me they have better credentials. I have contributed to the cause of the Opposition in the Batasan as well as in the old Congress, where I was minority floor leader during my second term. I got bombed in Plaza Miranda and was imprisoned during martial law.

In addition, I suffered economic persecution. I lost my feedlot in



Tarlac when I bought the rights of Bong Lapira to import cattle. Because I couldn't get import rights myself, I bought the rights from Lapira; but I first cleared it from then Director of Animal Husbandry Salvador Escudero, who readily agreed to the purchase. I got rid of my stocks at my feedlot, opened a Letter of Credit, borrowed money at high interest, and sent people to Australia to buy the cattle and make arrangements to ship them, only to be told by Escudero at the last minute that he was sorry, it couldn't go through. He couldn't offer any explanation; it could only have meant orders from above.

I lost my shirt on that one. To this day (now Minister of Agriculture) Sonny Escudero should be made to explain who ordered him to torpedo my import license.

**BOC:** *Do you feel that people have been very harsh with you about the "Cojuangco" issue?*

**RVM:** Yes, I do. Those who ask me about my links to Danding are of two kinds: 1) Those friends of mine, who want to hear my side, and 2) Those who ask this with malice and question my credentials as an Opposition leader. To the latter I say, please, tell me if during the 20 years that I have opposed this regime, there was even a single issue where the Opposition took a stand I did not support.

**BOC:** *What is your perception as to the reason for this harsh treatment of you because of Cojuangco. Isn't perhaps at the bottom of all this a fear of this figure whom many people regard as having a near-stranglehold on the economy?*

**RVM:** Cory Aquino has a good

explanation for it. She observed that people do not tend to be forgiving about Danding, when they seem to tolerate the excesses of other people close to Marcos, or even Marcos himself. To her this seems unreasonable, since Danding only derives his power from Marcos. Her explanation is that people know that Marcos's tenure is in its terminal stage, whereas Danding's sphere is still growing.

**BOC:** *Soon after the Batasan election there was talk that Cojuangco commands the loyalty of some 62 assemblymen. The implication was that he invested money in these 62 and got them elected. Would you know if there is truth in this allegation? Of course, the implication also is that you are one of the 62.*

**RVM:** I do not know if there is any truth to this allegation. But if there is, why has there not been a single bill moved in the Batasan that would favor Danding?

**BOC:** *How has the so-called Cojuangco connection affected your standing within your party? I remember soon after the elections in '84, a number of your colleagues confronted you at Peping Cojuangco's place about this issue. I am also aware that some of the PDP rank and file, particularly the ideologues, distrust you because of your "big business connections".*

**RVM:** They are entitled to their own opinion. You know, this question of the party came up during my last meeting with Ninoy in Boston, when we talked till 4:40 in the morning. He told me, "Mesama na, lahat ng pumupunta

*dito sa akin, binabanggit ang dealings mo with Danding.*" But Ninoy said, "Padre, madali yan, kung gusto mo, when I get to Manila, I will tell them that I sent you inside the organization of Danding to find out what's happening there." I told him, "No, you shouldn't do that because it wasn't so." I wouldn't agree to it. I told him that it was Peping Cojuangco, his brother-in-law, who brought Danding and me together and Ninoy was aware of this all along.

After we talked, Ninoy sent some money through me to certain people he usually sent money to here — if he had any doubts about me, I'm sure he would not have entrusted such a delicate matter to me. I like to think that Ninoy, to his last days, did not question my credibility — we had shared so many hard times together, for him to even doubt me.

**BOC:** *Have you threshed out this issue with Cory Aquino? How does Cory feel about your "Danding" connection?*

**RVM:** No, I have never taken it up with her; I never felt I should and she never asked me. Peping, however, told me that the family was asking about it and perhaps, he said, it was best that whatever kind of business deals I have had with Danding should be discontinued. And I think Peping meant me well. And when I dismantled my trading firm before election, it was in response to Peping's advice.

**BOC:** *People are curious about the feud between the two branches of the Cojuangco family and how it happened? Does it date from way back?*

**RVM:** You know, this is something Danding and I have not

talked about, because he knows my link with Peping. But the feud has been off and on, and the relationship may be said to be one of love-hate.

**BOC:** *Is there a possibility of their reconciling?*

**RVM:** Perhaps, because they are blood relatives, first cousins. But I don't think they will reconcile politically; though, of course, one cannot tell. There's a lot of hurt feelings on both sides. I think Danding feels that the reason he still cannot dominate Tarlac is because of the ever presence of Peping, who still counts with some following there.

**BOC:** *Cory is being mentioned as possible presidential candidate and that you could be her running mate because of the North-South tandem, and your close association with Ninoy before. But people are making capital of the irony in this arrangement — that Cory is a Cojuangco who has dissociated from Danding, while her running mate may be the man who is alleged to have this connection with Danding.*

**RVM:** (Laughs.) That probably cures it — it cancels off, so we begin from zero. Seriously, I feel hurt by this kind of talk but then, this is how politics are. I still say I am proud of my track record as Opposition.

**BOC:** *Do you think Danding is aware of all the criticisms you are reaping because of your association with him?*

**RVM:** Danding even before used to laugh at this — he thought it was funny, a crazy thing that they would question my association with him. "After all you've done for the Opposition," he would say.



Mitra on Cojuangco: 'I've never seen anyone act that fast...he's really a warm person'

**BOC:** *But now that you are a presidential contender, he must realize that such association is no longer a joke with people.*

**RVM:** I think so. But I'm sure he is also having some problems in this regard. While I am not that big a problem to him as he is to me, I'm sure he is not without critics on the other side who point out that perhaps I could influence him to turn against Marcos.

**BOC:** *If by some twist of fate you both should end up as vice-presidential contenders on different sides of the hedge, what would you do?*

**RVM:** Well, if I have an influence at all over him, as people suspect, I'll call him up and tell him to yield to me; that if he really wants to help a friend, this would be the time to do so. I'd ask him to withdraw from the race and endorse me instead. But if I know him I don't think he will want to be a candidate.

**BOC:** *As I stated earlier, I think the reason people are afraid of Cojuangco is because they feel that the tentacles of his huge empire are all over - into banking, coconut, beverage and food, media, livestock, race-horse breeding and now allegedly wheat and flour production. People are wondering what you would do about monopolies and over-extension should you get to a position of significant power.*

**RVM:** There are laws that govern this and I will not in any way be involved in anything that would obstruct the operation of our laws.

In other words, I will uphold the majesty of the law. I have had no history of having obstructed any such law, and I have vested enough of myself in this country, beginning with the Purple Heart I won as a 15-year-old guerilla in the north, to want its institutions preserved.

**BOC:** *People are speculating that Cojuangco would naturally assure himself of continuity of existence specially when there is a change of administration. So that he may want to invest in an Opposition figure who could give this assurance, that it could be you because of your past friendship.*

**RVM:** Danding has always been a 100% KBL and I still cannot believe that he could possibly invest in the political career of anybody in the Opposition.

**BOC:** *But if it boils down to his survival and that of his empire?*

**RVM:** That's not his style, if I know him. He is a KBL all the way. But let's tackle your question: you're asking me what happens if ever the Opposition gets into power and I have something to do with it...

**BOC:** *And Cojuangco would try to seek you out to help him protect his empire? I think this is a legitimate question to ask, because anybody in his shoes would try to do this. We know that the giant enterprises and the super-rich families play both sides. He would merely be the part-Chinese businessman that he is, with Chinese instincts for survival.*

**RVM:** As I said, I am pledged to follow the law, and I'd like to be able to say I will want the law upheld equally on everybody, including Danding, but not just him. I'm sure Danding knows this as my consistent stand all along, otherwise we would not be friends.

**BOC:** *Do you think this would be difficult?*

**RVM:** I don't think so, because I will be following what I think should be done. It would be difficult in the sense that should a friend insist that special consideration be given to him, it would be difficult to say no. But the answer would still be no, if it is against the law or against morality. I have been saying this on many issues, and I'd like to be able to get an opportunity to apply this to my friends. And I'm sure my friends would want me to follow this or abide by the same principles that have made us friends.

Apparently nobody has come up with any single, solid evidence of my having done anything against the interest of the Opposition except that I know somebody who...

**BOC:** *Happens to be the No. 1 administration crony!*

**RVM:** But even in that friendship there has not been any action by me that could ever be interpreted as against the interest of the Opposition.

**BOC:** *But that's what has happened to many people. Because they have been so hurt by all that's been done by the regime, they now subject anybody with any kind of link to the Administration to such critical judgment. This is true also*

*of politicians who were once KBL — they have to undergo a "purifying" process.*

**RVM:** Look at Jimmy Ongpin, whose company is controlled by cronies, and whose own brother is one of the most influential members of the President's cabinet. Despite all this I would never doubt the loyalty and commitment to the Opposition of Jimmy and I never will. And if he would ever be in the new government — and he will be in the new leadership — I am sure Jimmy will act as a Filipino and be fair.

**BOC:** *What you are asking is why can't this kind of allowance be given to you, isn't it?*

**RVM:** Yes, and I can tell Jimmy and even on record, that he has not invested in the Opposition nearly anything like what I have. I bear the physical scars of Opposition — 31 scars — and I still have 13 shrapnels in my body from Plaza Miranda.

**BOC:** *One last question. There is talk that Danding operates a private army in Bugsuk Island which is being trained by Israelis. Since you are the assemblyman from Palawan, what do you say about this?*

**RVM:** First of all, I'd like to say that there is no such thing as a private army on Bugsuk Island; if there were I would know of it. What armed people they have there are their security force for the island, which numbers around 30 people. I've told my colleagues in the Batasan this, but my statement is being questioned, particularly by people from my own party, PDP-LABAN.

A resolution was filed in the

Batasan by MP Mel Lopez of Manila, asking for an investigation into this matter. In this connection, I am also-asking for a special caucus of the Opposition to discuss this matter, because Opposition MP Bobbit Sanchez (PDP-LABAN, Pasig) has disclosed that there are Pasig boys there who would testify that they are being trained by Israelis. I would like MP Sanchez to produce these Pasig people.

I am also going to ask that the Lopez resolution be referred to the Committee on Privileges, because if the allegation of a private army is true, then it means I didn't do my job and I should be brought to the Committee on Privileges. I would like people to prove the existence of this army. They should send a delegation there to investigate the matter and Danding's people should be questioned about it.

**BOC:** *Who are these so-called "Israeli trainors"?*

**RVM:** Actually it appears that these Israeli 'trainors' were working as agriculturists at Teng Puyat's farm, and Danding also used them as consultants in his agribusiness. They were sent to Bugsuk to take a look at the coconut area, and while there they were asked to look at the training of the security people for about an hour. It seems that Ramon Tulfo, police reporter and columnist of the Bulletin Today, was visiting the island then, and saw these Israelis with the security people. But it was not he who wrote up the story about them, but Joe Vera, who was merely informed about it second-hand. Vera's story was not categorical about the island being Bugsuk, or Cojuangco being the owner.

But definitely a full-dress investigation should be conducted by the Batasan. In fact I told Mel Lopez who had earlier offered to withdraw the resolution, to keep it there by all means.

PHILIPPINES

'GOVERNMENT OF REACTION' CRITICIZED

Quezon City VERITAS in English 29 Sep 85 p 4

[Editorial: "A Government of Reaction"]

[Text]

**P**RESIDENT Marcos heads a government that has been described, more or less accurately, as a government of reaction rather than action. Thus, only after an overloaded ship sinks with the loss of hundreds of lives does it inquire into the question of maritime safety. And only after scores of factory workers are cremated in a fire does it give serious attention to the firetraps in our midst.

The reaction sometimes is frivolous or in execrable taste. How can any of us forget Prime Minister Cesar Virata's classic rejoinder shortly after the Aquino assassination? He was asked how the government intended to meet the crisis, and his reply was: "Crisis? What crisis? The people never had it so good!" And can anyone top Pasay City Mayor Pablo Cuneta's terrible gaffe when he was approached by some teachers for an increase in pay? Why don't you work as hospitality girls in Ermita? he was reported to have replied. Or better still, why don't you learn to sing like my daughter, Sharon? She's making oodles and oodles of money!

The reaction, many times, is too little and too late. Witness the complaint of countless victims of natural calamities who say that government aid is found mostly in the newspapers and not where it is needed. At other times, it is unduly harsh and oppressive. No better example of this can be found than in Education Minister Jaime Laya's action in firing striking teachers whose status was temporary.

But Laya's action, however harsh it may be, can still be remedied. All he needs to do is to recall his order and then reinstate the teachers whom he had earlier thrown out of their jobs.

There are reactions, however, that are final and irremediable. The best example of this is what elements of our military and para-military forces in Escalante, Negros Occidental, did to demonstrating farm workers. Hiding

behind the anonymity of their uniforms, and demonstrating once again that naked power can be found in the barrel of a gun, they fired, willy-nilly, into the ranks of the unarmed demonstrators, killing twenty and wounding many more.

What provoked this lethal reaction? According to Xenia Tupas, *Veritas* correspondent on the scene, the troopers got things going by lobbing tear gas at the massed group of protesters. A female demonstrator picked up an empty canister and threw it at the soldiers. And this prompted the soldiers to go into an orgy of slaughter.

The contention made by Lt. Gen. Fidel V. Ramos on TV late Saturday night does not hold water. He said that the demonstrators fired on the soldiers, forcing the latter to fight back in self-defense. He added that the fleeing demonstrators left an assortment of arms and grenades on the scene. This is patently ridiculous because if the demonstrators had been armed, why did they not use them on the soldiers? At that close range, why were there no casualties on the government side?

The contention that many of the demonstrators were shot while they were lying prone needs looking into. If this is proved true, then every member of the Escalante contingent — PC-INP or CHDF — must answer for his dastardly act.

But, considering how zealously the military establishment takes care of its own—who can forget the royal treatment accorded to the accused in the Aquino murder? — it would not surprise us any if, after the investigation, the probers come up with the verdict that the demonstrators committed mass suicide like the Ata cultists in Davao.

We repeat: based on its track record, our government reacts rather than acts. We hope and pray that, in the Escalante massacre at least, General Ramos will show us some real, vigorous and purposeful action.

PHILIPPINES

VERITAS HITS MARCOS' LACK OF INITIATIVE IN RECONCILIATION

Quezon City VERITAS in English 29 Sep 85 p 4

[Editorial: "Empty Rhetoric?"]

[Text]

**T**WO weeks have passed since President Marcos issued his call for national unity and reconciliation. In those two weeks, the Opposition announced its willingness to reconcile, provided certain conditions like the repeal of Amendment 6 and the release of political detainees were met. Businessman Jose Concepcion Jr. likewise said that Jaime L. Cardinal Sin has named him and others to an ad hoc committee that would take up the matter.

Everyone, it seems, is for reconciliation. Everyone, that is, except President Marcos. After he made his grand gesture at the Luneta Park, he has done nothing to push the idea.

This is, of course, very disturbing. Not only does he make himself vulnerable to the charge that he was engaged in an exercise in empty rhetoric, but he also can be accused of engaging in his favorite pastime: trying to fool all of the people all of the time.

It is not enough to issue a call for reconciliation. That call, if it is to be meaningful and effective, must be followed up with concrete and positive action. As of this writing, there has been no such action.

The initiative must come from the President, for it is he who must reconcile. It is he who has wronged the people in any number of ways - divesting them of their precious liberties, suppressing their freedoms, draining the country of its wealth because he has been grateful to a fault to his cronies - and it is he who must take the first step.

If he refuses to take that first step, if he refuses to descend from his pedestal so he can dialogue with his people, then we must all face the horrifying truth: nothing has changed and reconciliation remains a dream, distant and unattainable.



PHILIPPINES

PAPER WARNS NEGROS RELIEF ONLY 'TEMPORARY'

Quezon City VERITAS in English 29 Sep 85 p 8

[Article: "Pain and Hunger in Sugarland"; "Crops Are Lean and Relief, if any, Is Only Temporary"]

[Text]

**T**HE worst of widespread hunger affecting an estimated one million people in Negros Occidental may end when the milling season begins and most sugar workers return to work in October.

But observers here fear relief will be temporary, because the crop is lean and it is uncertain how many fields will be replanted for next year.

A few months' work might be followed by hunger — with no foreseeable end.

In a pastoral letter drafted in July, Philippine bishops said the famine "raised the spectre of a generation of brain-damaged children."

Political and economic problems causing the famine remain, and a showdown is expected soon between the communist-led New People's Army (NPA) and planters.

Another possible source of turmoil, observers say, is the charge by some with long involvement with the sugar industry, that famine was deliberately created by planters to dramatize their need for government financing.

If the charge proves valid — or is believed by sugarworkers — the showdown between workers and planters may come early next year when work ends, they say.

Twenty years ago, large Negros

sugar planters dominated Philippine society like oil-rich families elsewhere.

They had political power and virtually unlimited access to government loans to build economic empires and fuel rich lifestyles outside Negros.

The top five per cent of planters kept half of Negros' income, as workers' wages declined in real value year-by-year.

On average, each worker's family lost at least one child in infancy.

Sugar planters were feudal lords of plantations. Sugarworkers identified themselves as "the man of Elizalde" or "Gustilo" or another planter.

"The Catholic Church was a tame court chaplain in those days," says Columban Father Michael Martin, his society's superior in Negros.

Now the industry is bankrupt, political power belongs to President Ferdinand Marcos from the arid Ilocos region, and once docile workers join the NPA.

The Church is seen by planters and workers as siding with workers, especially since Pope John Paul II visited in 1981 and affirmed their right to organize.

For many, the best signs of change in Negros in the last 20 years are the decline of planters

and the Negros Church's new role as supporter of the poor.

Marcos admits serious problems in the sugar industry.

In Presidential Decree 1971, issued last February to restructure the Philippine Sugar Commission (PHILSUCOM), which manages the industry, he said:

"Global and domestic conditions have brought the sugar industry into imminent collapse. ... spawned a serious peace and order problem and caused economic dislocation."

"The industry may collapse and deteriorate," he warned, "to a level beyond economic recovery."

**T**HE sugar industry, half of it in Negros, accounted for 27 per cent of the country's foreign earnings in 1974. By 1983 it was down to eight per cent.

Two "global conditions," Marcos said, caused the slump.

The country lost its preferential trade relationship with the United States in 1974. Previously, the U.S. gave the Philippines a guaranteed market for all its sugar at prices, usually above the world price.

In 1975, the European Economic Community began unloading subsidized sugar, causing its world price to fall from US 65

cents per pound in 1975 to US 3-4 cents today. Philippine sugar costs about US 11 cents per pound to produce.

Production is now for domestic use and a limited but well-priced share of the U.S. quota. These absorb only about 50-60 per cent of the industry's capacity.

Planters say PHILSUCOM, headed by Marcos' friends, has not paid fair returns. Their complaint, backed by International Monetary Fund opposition to Philippine economic monopolies, caused Marcos to issue his restructuring decree.

Negros planters say "it did nothing but 'take real power from one Marcos crony (Roberto Benedicto) and give it to another (Armando Gustilo)."

Because they haven't been paid, they say; they are in trouble with banks.

Norman Campos, spokesman for Negros Economic Development Foundation, told UCA News, "This year's harvest may be the last, unless the government comes through with a new generous financial package. Planters want a fair price for sugar and a moratorium and restructuring of their debts. If they don't get it, no more sugar. Then we'll really see suffering here in Negros."

Jesuit Father Hector Mauri, who has worked for 30 years with sugar workers in Negros, claims sugar planters tolerated this year's hunger to dramatize their financial problems. "It's a form of blackmail," he told UCA News.

Officials of the National Federation of Sugar Workers, the most militant Negros union with a membership of 60,000, agree with Father Mauri.

"There's so much hatred of Marcos and Benedicto," a PHILSUCOM official said, "the planters can do anything. It's possible they let the people starve."

Father Mauri said sugar planters always gave a rice subsidy or "consumo" to workers during the "tiempo numero" (off-season) when sugar is ripening and there is little work. They deducted the cost from salaries when there was work.

"This year, the planters said they were unable to give any consumo. That's a lie. They let their workers starve to make their political point," he said.

Negros was the only sugar-producing area in the country to experience hunger.

Father Mauri refers to reports that planters are hiring up to 5,000 members for Civilian Home Defense Forces (CHDF) to combat the NPA. Recruits are trained by the Philippine army but financed by planters, reports say. The CHDF is a nationwide paramilitary network of the government.

Father Ireneo Gordoncillo, Negros diocese social action director, is only slightly less severe in assessing planter's responsibility for the hunger.

"No planter took anything away from his own life style to feed his workers," he said. "Planters didn't get paid by the government for the last crop, but they

could have fed the workers if they wanted."

"I don't think they deliberately wanted workers to starve, but they wouldn't do anything special to help. Big planters didn't give rice, but gave work on a rotation basis. That wasn't enough. There was hunger on every plantation."

**T**HE planters have reason to fear the NPA, which fastened on the hunger issue.

"The NPA has doubled in strength the last year, principally because of the poverty and hunger here," Bishop Antonio Fortich of Bacolod said.

About 80 people have died in the NPA-government war so far this year, most of them innocent workers of farmers says Father Gordoncillo. The NPA was strong in southern Negros, but it is now able to move in the north, he said.

"They took 500 guns from Benedicto's maritime school near Bacolod earlier this year, and later took over the Rangers' headquarters in Isabela. And there's no question the NPA has the support of the people," Father Gordoncillo said.

Severe third-degree malnutrition among Negros children reached seven-eight per cent, according to a UNICEF survey in July. This doubled the 1984 rate.

UNICEF officials told UCA News some countries declare three per cent an emergency.

Doctor Violeta Gonzaga of La Salle College in Bacolod City says the third-degree malnutrition rate was 10 per cent or more in August.

Bishop Fortich, 72, played a key role in Negros hunger relief work. Much of the money and food raised privately throughout the country were sent to him. He received half the money raised by a drive conducted by Business Day newspaper. In August, the government gave him remaining rice it had set aside for relief.

"Four or five years ago the workers were like sheep," Father Gordoncillo said. "Whatever their planter said, they followed. That's no more. The hard times here have been the great change agent."

"The NPSW has helped, and the NPA, and to some degree our Basic Christian Communities (BCCs), but it is the poverty and hunger that have opened people's eyes. Sugar workers have stood up. Not all of them, but things are different."

PHILIPPINES

GENERAL ECHEVERRIA 'MESSAGE' ON 'REFORMIST GOVERNMENT'

Davao City PEOPLE'S DAILY FORUM in English 11 Sep 85 p 1

["Message" by Brigadier General Jaime C. Echeverria, RUC XI Commander, dated 11 Sep 85: "The Reformist Government: Nationalist, Humanist"]

[Text] "History will no doubt mark the establishment of the New Republic as among the most trying moments of our nationhood.

It is characterized by perils and epics as intense and emotional as the perils epics of the Revolution of 1896.

Where the struggle of 1896 secured our political liberation, our struggle today is to maintain that political freedom through higher productivity and cultural reorientation.

We have not fully conquered the vestiges of colonialism but the national experience and lessons in crisis leadership exemplified by His Excellency President Ferdinand E. Marcos inspire and give courage to a reformist government committed to pursue its vision of a nationalist and humanist Philippine society."

(signed) Jaime C. Echeverria  
Brig. General AFP  
Commander RUC XI-AFP

CSO: 4200/44

PHILIPPINES

EDITORIAL LAMPOONS FIRST FAMILY 'CONCERN FOR MASSES'

Quezon City WE FORUM in English 10-16 Sep 85 p 2

[Editorial: "Concerned Couple"]

[Text] Himself speaking, President Ferdinand Marcos, who turns 68 September 11, says he wants to be remembered as "the reforming president" who restructured instead of maintained the status quo.

The President, indeed, has noble dreams.

As for the First Lady, her hopes are no less noble.

Mrs Marcos, in fact, stated in a recent talk that she's one with her husband.

Yes, she might be a dreamer but, above all, Mrs Marcos said she's an activist (see page 5) whose main passion, we presume, is fruitful reform.

Consider: if the president could painfully allow foreign debts to accumulate and leave room for more relentless borrowings, then we must have here a concerned leader who would rather close his eyes at the future just to feed the multitude.

Consider: if the First Lady could buy a \$4-million building in the heart of New York to save her countrymen the trouble of travelling long to the old Philippine consulate, and purchase seven (7) pianos to accomodate promising Filipino artists, then we have somebody with us whose concern for the Filipino is overwhelming, to say the least.

The pianos and the foreign debts, not to mention the \$4-m building, are but a few demonstrations of the Marcoses' genuine concern for the masses.

They had greatly drained our dollar reserves but who could forget the Miss Universe Beauty Pageant and the world heavy-weight boxing title fight between Muhammad Ali and Joe Frazier which the First Couple dedicated to all in the early years of martial rule.

Obviously, these are among the reforms people interviewed in a survey by the Bishops--Businessmen's Conference (BBC) had considered when they gave Mr Marcos the thumbs-up approval recently.

In order to confirm the President's popularity, though, we did a two-week survey of people from various sectors, in time for His Excellency's 68th birthday. For the record this WE FORUM survey was conducted after the hidden wealth expose, allegedly involving the First Couple, exploded here.

The respondents were rather divided in their opinion on whether a snap election should be held or not. But a good majority of same respondents came with a resounding birthday message for the President: Snap or no snap, they don't want him to finish his term.

Message: they've had enough of Marcos' style of restructuring.

CSO: 4200/44

PHILIPPINES

ADVERSARY UNION LEADERS ASSESS LABOR, POLITICAL SCENE

Quezon City WE FORUM in English 10-16 Sep 85 pp 8,9

[Interviews by Annabelle S. Cueva with Ernesto Herrera, general secretary of the Trade Union Congress of the Philippines (TUCP), and Rolando Olalia, president of the National Federation of Labor Unions and chairman of the Kilusang Mayo Uno (KMU): "Who Speaks for the Workers?"]

[Text] The Trade Union Congress of the Philippines and the Kilusang May Uno had long been adversaries, gladiators locked in a fierce battle for dominance over the labor movement. Sparks fly endlessly from both camps.

The KMU labels the TUCP a Marcos creation, the purveyor of "yellow unionism," and a tool of the dreaded Central Intelligence Agency (CIA). The TUCP, in equally acerbic fashion, dismisses the KMU as a bunch of troublesome radicals, masters of the art of economic sabotage, and worse, the labor front of the outlawed communist party.

Since 1982, the KMU has reported a marked increase in membership, some 500,000 and claims that in a few more years, their creed of "genuine unionism" will prevail over the local labor scene. The TUCP still claims to be the largest labor group in the country, with some 1.5 million workers as members. However, labor ministry figures reveal that as of the end of last year, TUCP's membership has dropped sharply to about 894,292.

WE FORUM recently interviewed the leaders of these two warring tribes.

Ernesto Herrera, TUCP secretary-general, is a self-confessed "anti-Marcos", a member of the defunct Agrava fact-finding board, who stamped his seal on the majority report which found Gen. Fabian Ver and other top military officials "indictable" in the airport murder of Sen. Benigno Aquino and his alleged gunman Rolando Galman.

Rolando Olalia, president of the National Federation of Labor Unions (NAFLU), has been chairman of the KMU for the last two years, taking over the post formerly held by his late father, Felixberto Olalia, Sr. He has been at the forefront of the "parliament of the streets" and was recently elected executive vice-president of the Bagong Alyansang Makabayan (BAYAN), a political federation of all militant cause-oriented groups.



Ernesto Herrera, TUCP

[Question] How would you assess the labor movement today?

[Answer] Right now, there is ideological division in the labor movement. The communists have succeeded to establish a breach in the labor movement. They have their own labor organizations that serve as a front. The WFTU (World Federation of Trade Unions), for instance, has its affiliates here. And then, it is known that many of these radical leftist unions are really fronts of the CPP.

[Question] Are you referring to the KNU (Kilusang Mayo Uno)?

[Answer] Well, many of those belong to the KNU groups. The KNU is not a union. It is merely a grouping.

[Question] But it claims to be a labor center?

[Answer] A claim is different from proving that it is really the Labor center. In the first place, it does not have a personality of its own. One cannot claim to be a center when it does not have a legitimate personality. This is very important because a center must also be accountable.

[Question] Then why is it that thousands of workers are joining their rallies?

[Answer] Again, this is a misconception. Because these rallies that you are talking about are not rallies of the KNU alone. These are rallies of the cause-oriented groups. If you will keenly observe what's going on now, we have the NDF (National Democratic Front) as the coordinator of all these rallies. It is not only the KNU which is involved here; the other cause-oriented groups are involved here, like the ATOM (August Twenty-One Movement), JAJA (Justice for Aquino, Justice for All), and what have you. Now the KNU is an insignificant sector in these cause-oriented groups.

[Question] What are your reservations for not aligning with political groups?

[Answer] One is the experience that unions aligned with a political party later subsume with this political party. Second, at this time, it is important that a union must concentrate first in unifying the labor movement and strengthening (it).

[Question] How would you explain then the seemingly pro-government stance of the TUCP until recently?

[Answer] In the first place, the question is wrong. We have never been a pro-government organization. This is the propaganda of the rival union. Maybe, they say that we are pro-government because of our participation in tripartite (conferences). Tripartism is enunciated by the ILO (International Labor Organization), and the Philippine government is a member of the ILO. Now it is very unfortunate that many of our colleagues in the government do not understand tripartism and therefore do not realize the values of

tripartism. The implementation of tripartism in our country is in fact an achievement of the labor sector, in a way that they now have participation in the decision-making of certain activities of the government.

[Question] If you are not pro-government, then why is it that everytime there is an election, the TUCP supports the KBL?

[Answer] In fact, the record of the TUCP is that we are nonpartisan. But some of our members are supporting the KBL. Some are in the opposition. I am in the opposition.

[Question] Then how would you explain that until recently, everytime you celebrated May Day, you always invited President Marcos?

[Answer] Well, this is more of a cultural act rather than a political act. If you remember, since the time of Roxas, Quirino, and Magsaysay, the President has always been invited (to Labor Day celebrations). And this is being misconstrued by some of our rivals that we are pro-government because we are inviting the President. That's not true.

[Question] Why then the seeming change in attitude toward the President in your recent Labor Day celebration?

[Answer] The reason is that we wanted to have a consultation with our labor leaders during that Labor Day celebration. But I would like to emphasize that since the time that we became an independent country every Labor Day celebration the President has always been invited. It is not just during the time of the Marcos administration. We used the celebration as a consultation of labor leaders so we thought that it is not necessary for the President to be around.

[Question] But I heard that some top officials of the TUCP went to Malacanang even then?

[Answer] Yes, there were around five or six who went. The reason why TUCP is very dynamic is because we have diverse political persuasions. Some officials are pro-Marcos. Some are anti-Marcos. Some are independent. The TUCP is non-partisan.

[Question] But since the top officials (who went to Malacanang last Labor Day) represented the TUCP, doesn't that show that it is sympathetic to the President?

[Answer] If you are talking of top officials, not one of the top three went to Malacanang then. Those who went were vice-presidents. In the TUCP, there are 34 vice-presidents. So if you are thinking on the basis of number, then it was a very small (group) that went to Malacanang.

[Question] So what keeps you then from joining hands with the KMU?

[Answer] First, we have ideological differences. They don't adhere to democratic unionism. In our case, we are adhering to the democratic ideals of trade unionism.

Second, it does not have any personality. It is nothing to align with or to cooperate with because it is non-existent.

Third, trade unions have a tremendous responsibility not only to the members but also to the country in general. KNU does not believe in accountability. That is why it is not registered as a legitimate organization.

[Question] Do you feel threatened by the KNU?

[Answer] They make a lot of noise, that's all. KNU does not have a strength of its own. That is why it has to align with other cause-oriented groups. It has to align with the church, ATOM, JAJA because it cannot generate its own cause.

[Question] Then is labor unity really impossible?

[Answer] If you are referring to labor unity under one umbrella, I think it is getting more and more impossible everyday, especially now with the ideological division. But if you are talking of unity in the sense that there will be a dominant labor group, it's not only possible--it's happening right now. In fact, the TUCP is the dominant group.

Rolando Olalia, KNU

[Question] The TUCP seems to be distancing itself from the Marcos government. What do you think of this development?

[Answer] Well, I think it's merely posturing. In the first place, if you remember, the TUCP was a creation of the Marcos government. It is being funded by the Asian-American Free Labor Institute (AAFLI) which is a conduit of the CIA. It was formed in 1975 precisely to tighten the government's hold on the labor unions. This is the very reason why several major federations broke away from the TUCP a few years after it was convened. Now, the TUCP is weakening and it has to cook up something in order to prevent its eventual demise.

[Question] But shouldn't this recent development on the part of the TUCP be a welcome sign from your point-of-view?

[Answer] To a certain extent, yes. But the TUCP still has a long way to go before it can really prove that it is not a tool of government. As far as we are concerned, the TUCP has a most disdainful record to speak of in terms of defending the rights and interests of workers. During the worst years of martial law, it has kept silent on the wanton exploitation of labor and the grave abuse of workers' rights. One of its leaders, an assemblyman I think, even supported the passing of BP 130 which basically suppresses the right to strike.

[Question] But doesn't this rivalry between the TUCP and the KMU hurt the cause of labor in general, and that of labor unity in particular, especially now with the threat of a crackdown on labor unrest?

[Answer] Well, first of all, it is not a rivalry. It is a struggle. The struggle against yellow unionism as embodied by the TUCP is part of the workers' struggle against exploitation and oppression. It will not hurt the cause of labor, much less the cause of labor unity. The TUCP is the divisive influence within the labor movement.

[Question] What do you mean by "yellow unionism"?

[Answer] Simply put, yellow unionism is that brand of unionism that connives with management and betrays the interest of the workers. That essentially is what is being espoused by the TUCP.

[Question] Still the TUCP is the dominant group within the labor movement?

[Answer] Unfortunately, yes. But not for long. The time will come when genuine unionism as advanced by the KMU will earn its rightful place as the dominant trend in the labor movement. And by then, the TUCP will have disintegrated.

[Question] So an alliance of sorts between the TUCP and the KMU is out of the question?

[Answer] Actually, it depends. Perhaps on certain specific issues from time to time, but that will depend on them. We will do whatever needs to be done to advance the workers' movement, with or without them. Definitely, an alliance with TUCP as TUCP is ruled out. They will first have to renounce their connections with AAFLI which, as I said, is CIA-front. On the other hand, the KMU is open to working hand in hand with their rank-and-file members and lower level leaders, if not actually having them join with us. With respect to the others in the TUCP, or the TUCP as TUCP, pwede siguro kung working alliance so to speak, meaning that there is independence and initiative and not necessarily bound by a formal organization. But as I said, that will depend on them.

[Question] In the meantime, how do you plan to confront the possibility of a crackdown?

[Answer] We will cross the bridge when we get there. Anyway, this won't be new. When it comes, this time we'll be ready.

[Question] What about allegations that the KMU is only a communist front and that it is only a minority group that "makes a lot of noise"?

[Answer] That has been the government's convenient way of trying to evade the issues surrounding the present plight of labor. The real issues on the trade union front are low wages, trade union repression, mass lay-offs, and unemployment. The so-called communist threat is not an issue here because in the first place there is none.

[Question] Then why does the KMU align itself with radical leftist groups?

[Answer] Because that's the place where a genuine labor organization should be. "Radical" and "leftist" only confuse the issues. The point is the root of the present problems confronting labor is the U.S.-Marcos dictatorship. In order to dismantle it, labor must unite with the other sectors and groups demanding basic changes in society.

[Question] How about the fact that the KMU is not legally registered with the MOLE, doesn't this affect your legitimacy as a labor organization?

[Answer] The KMU is not registered because we don't need to. In fact, it is recognized by international labor groups that registration is a form of unwarranted government interference in the activities of a labor union. Besides, our member federations are already registered. The government itself, and business groups for that matter, have been talking to us as KMU despite the fact that we are not registered. Our legitimacy rests on the issues that we raise and the hundreds of thousands of workers affiliated with us who respond to our calls, and go out to the streets and in the picketlines to fight for their interests.

[Question] How about your accountability?

[Answer] My father was imprisoned because of his beliefs. You see, it is the Marcos regime which should be accountable for wreaking havoc to the people's livelihood, and for continually violating human rights.

CSO: 4200/44



PHILIPPINES

SISON ASSESSES CURRENT POLITICAL SITUATION

Quezon City WE FORUM in English 17-23 Sep 85 p 3, 14

[Interview with Jose Ma Sison by PHILIPPINE NEWS AND FEATURES: "Marcos is Worth Less Than a Minor CIA Operation"]

[Text] On Recent U.S. Moves, Counter-insurgency, and the Bayan-Bandila Split

(Although held by the government as a political detainee since his arrest in late 1977, Jose Ma Sison--tagged by the military as the founding chairman of the re-established Communist Party of the Philippines (CPP)--remains one of the sharpest critics of the Marcos regime and surely the most profound and relevant commentator of the Philippine Left. Like the imprisoned revolutionary Nelson Mandela in South Africa, Sison has not been silenced by the regime's iron bars and cement walls. PHILIPPINE NEWS AND FEATURES interviewed him through legal intermediaries. Excerpts:)

On Recent U.S. Moves Vis-a-vis the Marcos Regime

The most important preparations being made by the U.S. for the possible replacement of Marcos are two-fold. On the one hand, the Pentagon and the CIA are trying to develop a pro-U.S. but anti-Marcos movement among officers of the Armed Forces of the Philippines. On the other hand, funds are also flowing in from CIA coffers and the National Endowment for Democracy in particular to promote anti-Left propaganda.

If Marcos remains healthy, there is no way the legal opposition can overcome him solely through elections. The U.S. continues to support Marcos and still allows him to control the AFP (Armed Forces of the Philippines), the Batasang Pambansa, the Commission on Elections, the courts, etc. He can rig the electoral rules, processes and results. He can remain president beyond 1987.

However, the U.S. is giving false assurances of conservative opposition victories in or before 1987 and handing out substantial funds to some pro-U.S. but anti-Marcos elements in order to encourage them to distance themselves from the Left. These anti-Left and anti-Marcos elements are wittingly and unwittingly undermining the broad front against the Marcos dictatorship. They fall for the U.S. strategic objective of removing Marcos by a coup d'etat sometime beyond 1987 if he fails to destroy the people's revolutionary movement and it grows stronger.

At the moment, Marcos is worth less than a minor CIA operation. A major CIA operation was said to cost about \$6 million several years ago. It would cost much less than that to muster an anti-Marcos coup. Marcos has been thoroughly isolated from the people and there is serious discontent within the AFP. But the U.S. imperialists think that they must first extract advantages from a desperate Marcos and at the same time induce pro-U.S. opposition leaders to steer clear of the Left.

The U.S. is seeking to install in the post-Marcos period either a gorilla (outright military) regime or a gorilla-civilian regime or a civilian regime that will be strictly pro-U.S. and reactionary. If the revolutionaries are alert to the U.S. scheme, they will not lose pace in expanding and intensifying the armed struggle. The insoluble economic and political crisis of the dying ruling system is working in their favor.

It is not an easy thing for the U.S. and its American and Filipino agents to isolate the Left and break up the Left-Middle alliance. The ultra-Right elements who deck themselves out as "moderates" are isolating themselves by seeking to disrupt the people's democratic movement and in effect helping Marcos keep himself in power up to 1987 and perhaps even far beyond 1987 if they remain without any clout vis-a-vis Marcos.

There are politically reasonable sections of the anti-Marcos Right which are exposing the maneuvers of the U.S. and realize the need to keep the broad antifascist alliance.

#### On the Regime's Counter-insurgency Program

Since the beginning of his fascist rule in 1972, Marcos has always sought to have a complete monopoly of the military and the police. It was in this regard that the police and paramilitary forces were integrated with the Philippine Constabulary, a major service in the AFP. As a result, the mayors became powerless even as they were held responsible for peace and order. Now, Marcos and the military think their counterrevolutionary campaign can become effective by activating the mayors as mere supervisors or foremen of the local police. There is also the specific urgent purpose of allowing the KBL/New Society Movement ruling party mayors to use the police and paramilitary forces for fraud and terrorism in the coming elections.

Under the integrated defense program, the military wants to muster civilian forces (including local officials, prominent propertied citizens, the religious and civic organizations) for military purposes so as to be able to claim that the counter-insurgency campaign is a "civilized" effort. The fact is that civilian forces are being militarized and placed under military command for military purposes.

For quite a long time now, the military has been organizing fanatical cults to massacre suspected revolutionary fighters and supporters. Now, the military wants to trap bishops and priests in so-called peace and order councils and use them for psy-war campaigns. In several instances, people in villages have been rounded up, misrepresented as "surrenderees," brought to churches to hear thanksgiving mass and forced to take oaths of allegiance to the Marcos regime after the mass.

Marcos is now officially allowing the big landlords to organize and maintain paramilitary forces. There is a reversion to the old practice of proliferating private armies under landlord control. These complement the regular military and police forces of the big comprador-landlord State.

The intensification of the armed counterrevolution is resulting in the accelerated growth in strength and advance of the New People's Army. The proliferation of disjointed regular military, police, ICHDF paramilitary forces and hacienda armed units will provide an excellent source of arms for the revolutionaries.

After Vatican Council II and the rise of progressive trends within the Roman Catholic church, Marcos and the military cannot go very far in utilizing bishops and priests for counterrevolutionary military purposes. The military itself is repeatedly fouling up its own scheme of using the religious by killing priests such as Favali, Romero and Bernardo; kidnapping Fr. Romano and by detaining so many other priests, like De la Torre, Tizon, Remigio, and attacking basic Christian communities.

The armed revolutionary movement is developing backward villages into advanced political, economic, cultural and military bastions of the revolution. Marcos and the military cannot defeat the revolution through sheer military force or through the militarization of civilian entities and psy-war campaigns.

On the Similarities Between the Present Situation and that of the Late 40s and Early 50s

Yes, there are basic similarities. Aside from using the Marcos fascist gang in a vicious armed counterrevolution, the U.S. is again trying to use the most reactionary elements in business, professional, academic, civic and religious circles to vilify anti-imperialists.

There are relatively good Jesuits and there are bad Jesuits. A handful of the latter are again active in vicious anti-communist campaigns. There are also some Opus Dei elements who seek to vilify anti-imperialists. There is rivalry between the Jesuits and the Opus Dei within and outside the Church; but the most reactionary elements among both are united in their rabid anti-communism, even if this means prolonging the tyranny of the fascists by exploiting the reactionary fear of the future (by putting up a communist bogey of their own making) and disdain for the masses among the upper classes of big compradors and landlords.

There is, however, a big difference between now and the time of (Sen. Claro M.) Recto and (Senator and former President Jose P.) Laurel. The proletarian revolutionary party is much stronger now; it has a rapidly growing people's army; and it engages in a broad united front along the national democratic line. The broad masses of the people, especially the workers and peasants and the intelligentsia, have now a far higher level of consciousness, organization and militance, thanks to the persevering work of proletarian revolutionaries since the Sixties.

Progressive liberals and advocates of all-round independence from U.S. imperialism are flourishing under conditions where proletarian revolutionaries are also thriving through revolutionary struggle. Recto's successors--Tanado, Diokno, Lichauco, Constantino and others like them--are true nationalist representatives of the Middle and have more abundant support and a larger following than ever before.

All anti-imperialists--be they progressive liberals or proletarian revolutionaries--are rapidly gaining strength. It is by uniting with proletarian revolutionaries that progressive liberals become a potent force for the attainment of national freedom and democracy in the resurgent Philippine revolution.

CSO: 4200/44

PHILIPPINES

NDF'S ZUMEL ON KBL AID, POLITICAL SCENE

Cebu City VISAYAN HERALD in English 25 Sep 85 p 2

[Interview with NDF Officer Antonio Zumel: "We Receive Offers of Help from KBL Leaders"]

[Text] [Question] How many Filipinos support the insurgency now, and what percentage of them want a communist system of government?

[Answer] Regarding the first part of your question, we made an assessment in late 1984 and came to the conclusion that at least 10 million Filipinos, or almost one-fifth of the national population, are struggling in various ways against the present semi-colonial and semi-feudal system. The bulk of this number is in the countryside, especially in the guerrilla fronts of the New People's Army; the remainder are in the urban areas. These 10 million people are helping our national democratic revolution directly or indirectly, in the sense that their political energies are targeted against a common enemy. The number continues to rise as the crises that beset our country worsen. Regarding the second part of your question, nobody is proposing a communist system of government. What we propose to set up is a democratic coalition government in which all the patriotic and democratic classes, sectors and organizations of our country will be amply represented. That government will ascertain national independence and sovereignty and the people's democratic rights.

[Question] What kind of society are you trying to establish?

[Answer] Definitely, the Philippine society of the future will be a freer and better one in all aspects, especially for the toiling masses of workers and peasants, the petty bourgeoisie and the national bourgeoisie. We aim to set up a Philippines that is truly independent and free from U.S. imperialist and other foreign interference and domination. We will pursue social and economic development for the benefit of our people and not of domestic and foreign exploiters and oppressors.

[Question] Who in the moderate opposition would be welcome to join the coalition government the NDF is proposing?

[Answer] Those of the moderate opposition who are sincerely, consistently and militantly struggling for the people's interests in the course of the revolution will be welcomed and valued as members of the democratic coalition government.



[Question] Are you receiving covert support or encouragement from moderate opposition groups and big business?

[Answer] From quite a number of them, yes. In fact, we have been receiving offers of help, if not actual help, from certain leaders of the KBL (Kilusang Bagong Lipunan), especially on the regional and provincial levels, and from lower- and middle-echelon officers of the AFP (Armed Forces of the Philippines). We have also been getting assistance in various forms from the bureaucracy.

[Question] Would increased U.S. military aid and better training of the government reverse the NPA's gains?

[Answer] No. By its very nature, the AFP is meant to protect the interests of imperialism and of the ruling classes, and to suppress the people's anti-imperialist and democratic struggles. Additional arms and additional training would merely mean more bloody and terroristic repressions against the people. And the people would respond by joining the revolutionary movement in greater numbers. U.S. imperialism's assistance in arming and training the AFP merely exposes its role as an exploiter and oppressor of our people.

[Question] Do you think the U.S. would ever intervene directly in the conflict here?

[Answer] Our people and other peoples of the world, especially the American people, are vigorously and militantly opposed to direct intervention by U.S. imperialism in our country. However, given the madness which often characterizes the foreign policy of the Reagan administration, it is entirely possible that it may try to drag the American people into a war of aggression against our people. That would result in the unjust spilling of our people's blood, as well as the blood of otherwise well-meaning Americans who would be dragged into such a war. We'd deeply regret that. But our people have been fighting against foreign and local exploitation for over 400 years now. As many as 600,000 to a million Filipinos died defending the motherland during the U.S. war of aggression in the late 1890s and early 1900s. We'll fight to the death any similar attempt by U.S. imperialism.

[Question] How does the NDF plan to "punish" Americans who are helping the government's military efforts?

[Answer] Any American officer who participates directly in the Marcos regime's so-called counter-insurgency program will be considered a combatant and will be dealt with as such.

[Question] There still seems to be a deep reserve of goodwill towards the United States in the Philippines. What do you think is the real extent of anti-Americanism?

[Answer] The Filipino people regard the American people in the highest esteem and in utmost fraternity. We are not anti-American. It is the ruling class in the U.S.--the monopoly capitalists who hold sway over the U.S. government--that is our enemy as well as the enemy of the American people. We are deeply

grateful to the American people, as well as to the Filipinos and Filipino-Americans in the U.S., for their support of our revolutionary struggles, including their efforts to stop or at least reduce U.S. aid to the Marcos regime.

[Question] Will the NDF back candidates in the coming elections?

[Answer] Taking present conditions into account, the people and their organizations are free to take part in the elections to advance their struggles.

[Question] How badly hurt would the insurgency be by an all-out crackdown or a military take-over?

[Answer] We in the national democratic revolutionary movement have said, and rightly so, that by negative example, Marcos is the people's best teacher on the nature of the state as an instrument of imperialism and the local ruling classes, and on the need to overthrow it. By its own actions, the U.S.-Marcos dictatorship has taught the people to take up the gun and fight. But it is malicious and slanderous to say as a former senator in the bourgeois opposition has suggested, that the Marcos regime and we have a common objective: to keep the regime in power. From the very start, we in the national democratic movement have been the object of the most savage attacks of the dictatorship. Many of our comrades have sacrificed their lives, many have been tortured, and many are still behind bars, because of our revolutionary resistance to the dictatorship. Not for a single moment do we wish this corrupt and cruel dictatorship upon our people.

[Question] What is the Marcos strategy right now?

[Answer] The Marcos regime's strategy right now is simple: it wants to break out of its position of extreme isolation from the people and keep itself in power. To accomplish this, it is prepared to intensify its terrorism or, should elections be called, to combine terrorism with massive fraud and electoral spending. The regime wants to maintain U.S. support for itself, and to do this, it is reluctantly giving concessions to the bourgeois opposition. But it does not want to do so to the extent of letting power slip from its hands. At the moment, it is availing of U.S. aid not only to suppress the revolutionary movement but the bourgeois opposition as well. It is in this light that we view the frantic efforts to strengthen the CHDFs, in preparation for the 1986 and 1987 elections.

CSO: 4200/44

PHILIPPINES

FORMER VISAYAS CPP LEADER ASKS LOCAL BAYAN HEAD TO DEBATE

Cebu City SUN STAR DAILY in English 22 Sep 85 p 11, 13

[Article: "On Social, Economic Reforms; Ex-Commie Dares Bayan Head to Debate"]

[Text] A public debate on the role of Bagong Alyansang Makabayan (Bayan) in the struggle for social and economic reforms in the country was proposed yesterday by a former ranking leader of the Communist Party of the Philippines (CPP).

A proposed public debate with Bayan chairperson Zenaida Uy, a professor of the University of San Carlos (USC), was explored by Pastor Alcover, Jr., a former secretary-general of CPP in the Visayas region, in a talk with radio commentator Cerge Remande over dYLA.

Alcover, now involved in the Government's counter-insurgency drive also linked the local Bayan leader to the disappearance of Evelyn Dublin, the latter's close associate in the hinterlands of southern Leyte.

Dublin along with her three children had gone to Inopacan, Leyte to join the rebels' cause against the wishes of her husband. She was reportedly killed during an encounter with government troops.

Close Friends

Alcover said the whereabouts of the children are still unknown. He said Uy and Dublin were close friends.

The only way to "unmask" the true motives of Bayan leaders is through a public debate, Alcover said.

"While I could not say that Bayan leaders in Cebu city are communists, it is possible that they have allowed themselves to be used as tools by the CPP-NPA-NDF whose main objective is to establish a communist regime in the country," the former CPP leader said.

Alcover supported this theory with documents which, he said, contain strategies on destabilizing the economy of the country. One of the strategies, he said, calls for non-payment of taxes to the Government.

CSO: 4200/44

PHILIPPINES

INDUSTRIAL SURVEY NOTES DEPRESSED MARKET CONDITIONS

HK160931 Manila BUSINESS DAY in English 15 Oct 85 p 2

[Article by Julia Del Castillo]

[Text] Business is still not expected to recover this year, despite the availability of some \$3 billion in fresh trade financing for private enterprises, mainly because of the depressed market conditions and other problems.

The thinking among businessmen, according to a flash survey of various industries conducted by the Philippine Chamber of Commerce and Industry (PCCI), is that the rest of the year holds no bright prospects for industry because the same factors that have stunted growth since the start of the economic crisis will continue to prevail--in fact, they have already resulted in a sales volume decline of from 5 percent to 89 percent for 16 sectors in the period April to June this year.

Preliminary results showed that of the 56 industry associations surveyed by the PCCI's industry committee, 16 sectors indicated that their most critical problems in the second quarter were, in the order of their significance, high interest rates, shrinking markets, credit availability, foreign exchange availability, labor problems, raw materials supply and lack of technical knowhow.

Of the 16 respondent sectors, the export industry (as reported by the Confederation of Philippine Exporters, Inc.) registered the smallest drop in sales volume, a 5 percent dip in the second quarter from the first quarter of the year.

On the other hand, the chemical industry suffered the largest fall, an 89 percent drop from the first to the second quarters. However, sales only fell 3.25 percent compared to the second quarter 1984 level. This was followed by truck manufacturing (a 73 percent decline from both the first quarter 1985 and the second quarter 1984 levels); used equipment and parts importers (62 percent and 80.5 percent); agricultural pesticide (25 percent for both periods under comparison); and aluminum exporters (17 percent and 12 percent).



Only three sectors posted improvements in their sales during the April-June period compared to the first quarter: chemical fiber production (6 percent), tire manufacturing (17.9 percent) and flour milling (19.91 percent). The drug industry reported the same sales volume levels for the first and second quarters of the year, and a 10 percent rise in April-June over the same period last year.

It will be noted however that all of these sectors produce essential goods (chemical fibers are raw materials for the textile industry; tires for the transport sector; drugs for health; and flour for the food sector), which may be the reason for their relatively better sales performance compared to the other industries during the period.

Sales values improved somewhat for some sectors during the quarter, apparently because of adjustments in the prices of their products: chemical fibers (13 percent), agricultural pesticide (15 percent), tire manufacturing (22 percent), ceramics (4 percent) and flour milling (15.49 percent).

The chemicals industry however reported a decline of 75 percent in its sales value (compared to the first quarter 1985 level); used equipment and parts importers, 73.5 percent; truck manufacturers, 40 percent; and the export industry, 4 percent.

Asked about the outlook for the third quarter, businessmen generally described the months of July-September as a period of "negative prospects" for industry because of the depressed market.

In particular, the Philippine Electrical and Electronics and Allied Industries Federation said the third quarter was characterized by a "very depressed market" because of the "weak demand for home appliances." As a result, the consumer durables sector expected "very dim prospects" in July-September.

"The third quarter will be worse than the first because there will be no change in the economic conditions that would promote increases in sales," according to the Consolidated Automotive Parts Producers Association, Inc.

Some sectors however were optimistic that the third quarter would bring brighter days: "Sales will perk up due to rice planting in June and July," the Agricultural Pesticide Institute of the Philippines, Inc. said.

For exporters in particular, the third quarter held better promise than past months because of the \$3-billion trade facility which was expected to enable firms to finance their raw material imports.

Exporters also believe that the downward trend in interest rates (which was a problem of the business sector last year up to the second quarter 1985) will be a big boon to the export industry.

Overall however, most businessmen who responded to the PCCI survey said they are "uncertain" about the facility's bringing relief to industry in the near future.

CSO: 4200/99



PHILIPPINES

ECONOMIC INDICATORS ON PUBLIC INTERNAL DEBT

HK160939 Manila BUSINESS DAY in English 15 Oct 85 p 2

["Economic Indicator" column: "Public Internal Debt Rises 62 Percent"]

[Text] Outstanding public internal debt or domestic borrowing by the national government, local governments, government corporations and other monetary institutions rose 61.84 percent in June compared with the year ago level, according to the preliminary data from the National Economic and Development Authority (NEDA) based on figures taken from the Central Bank.

As of end-June, public internal debt amounted to P [Peso] 110,713.9 million, P42,302.8 million more than the P68,411.1 million domestic borrowings in the same month last year.

Outstanding Public Internal Debt  
January 1984 to June 1985  
(In Million Pesos)

Period	1985	1984	Percentage Increase (decrease)
January	85,522.3	62,824.2	36.13
February	85,235.3	62,514.3	36.35
March	88,593.6	65,756.6	34.73
April	98,586.5	68,503.0	43.92
May	106,176.6p	66,927.9	58.64
June	110,713 9p	68,411.1	61.84
July		68,956.6	
August		72,360.6	
September		76,490.3	
October		78,727.4	
November		81,384.9	
December		86,093.9	

p-preliminary

Source: Central Bank

CSO: 4200/99

PHILIPPINES

RESCHEDULING OF DEBTS COMPLICATES STATE BANKS' MERGER

HK160905 Manila BUSINESS DAY in English 15 Oct 85 p 1

[Article by Conrado R. Banal III]

[Text] Rescheduling the foreign debts of Development Bank of the Philippines (DBP) and Philippine National Bank (PNB) is adding to the complications emerging in the government plan to merge the two state-owned banks.

Manila-based foreign bankers said the planned merger "bothers" foreign bank creditors of DBP and PNB. "There is too much confusion about what will happen to the rescheduled loans after the merger," one declared.

While government seems to be drawing up a detailed blueprint of the merger--how to go about it, or which DBP and PNB operations to retain--foreign banks are "kept in suspense" about their role in the merger, another said.

In particular, most foreign creditors of DBP and PNB expect technical problems if the rescheduling of the two banks' debts would be done prior to the actual merger, which is what Central Bank (CB) plans to do.

The government has a deadline to meet in rescheduling the public sector's foreign debts. Agreement on rescheduling 50 percent of those debts must be forged by next month, but the CB has yet to finalize its master document.

To meet the deadline within such short a period, the CB wants to put the public sectors' five biggest accounts in the first batch of rescheduling. They are the CB, DBP, PNB, National Power Corp., and possibly Philippine Airlines, Inc. These can take a heavy load off the rescheduling target.

The government has tentatively decided to merge DBP and PNB but the final decision, including the detailed merger program, will be made by yearend.

Foreign bankers here said they would rather wait for the final decision before signing a rescheduling agreement with DBP and PNB.

They naturally want to avoid a new round of negotiations for transferring DBP's and PNB's rescheduled loans to the new bank that will result from the merger.

Moreover, they expect that the new bank, if the merger would push through, will not be able to absorb totally the foreign debts of both DBP and PNB. Under the government plans, the banks' bad accounts, estimated to reach more than P100 billion, will be transferred to a new corporation. The new bank therefore will have assets substantially less than liabilities, which will include the rescheduled foreign debts.

"The accounting problems are immense," a banker commented.

Other bankers doubt whether the foreign banks will agree to transfer their exposure to the corporation.

What the government intends to do with those bad accounts is yet unclear. Sources in DBP and PNB said that the two banks have evaluated the viabilities of their distressed borrowers, and one of their recommendations is to take losses in some of these bad accounts.

There are borrowers that need additional financing to become profitable, at least to service their loans from PNB or DBP, the sources said.

The national government will inevitably take those losses, with or without a DBP-PNB merger. At present, only government's infusion of fresh funds into the two banks will enable them to pay interest on their foreign and domestic loans.

The new bank that will emerge from the merger may get foreign credit lines, such as from the World Bank and Asian Development Bank, but it will still need government's fresh funds to cover the financing needs of DBP's and PNB's borrowers that are still viable.

An obvious aim of the merger therefore is to scale down the operations of the two banks, and cut costs.

Employees have to be removed. Some of them can be transferred to two new corporations designed to supplement the merger, or to the planned industrial bank. But officials of DBP and PNB doubt whether all their employees can be absorbed by those two new firms.

CSO: 4200/99

PHILIPPINES

SMALL-SCALE INDUSTRIES RECEIVE LOAN ASSISTANCE

HK170859 Manila BULLETIN TODAY in English 16 Oct 85 p 17

[Text] A total of 37,000 small exporters agribusiness entrepreneurs, inventors and small businessmen throughout the country have received loan assistance amounting to P379.34 million from the Technology Resource Center (TRC) from January to June of this year.

The lending programs of the TRC are the Export Industry Modernization Program (EIMP), the Agro-Industrial Technology Transfer Program (AITTP), the Urban Livelihood Financing Program (ULFP), and the Technology Utilization Support System (TUSS).

These programs assist various sectors of the industrial community improve their productivity through the transfer of technology for application to their production systems, including related services such as technical advice, marketing linkage, state-of-the-art information, management consultancy, and community mobilization.

The Technology Resource Center is a government corporation mandated by law to disseminate technology information, to foster the widespread use of technological know-how in livelihood and industrial activities, and to commercialize improved technological innovations which have been tested and found economically viable.

In the same period, the EIMP lent P165 million to 83 industrial firms and exporters engaged in light metals, garments, leather goods, processed foods and other non-traditional export products.

The EIMP manages a loan fund of U.S.\$22 million from the Overseas Economic Cooperation Fund (OECF) of Japan for the modernization of production technologies of small and medium scale industries.

Under the AITTP, TRC has extended as of June 1985, financial assistance of P120.6 million to 14 agro-industrial projects which provide direct and indirect employment to 6,000 individuals.

The ULFP is a national government project managed by TRC for depressed areas in Metro Manila. The ULFP is funded through the Urban II Development Package of the World Bank and the Philippines.

CSO: 4200/99

PHILIPPINES

IMF CREDIT RELEASE DEPENDS ON CHANGES IN TAX SYSTEM

HK171110 Manila BUSINESS DAY in English 16 Oct 85 p 2

[Article by Rigoberto D. Tiglao]

[Text] The government is required to start implementing changes in the tax system before the International Monetary Fund (IMF) releases the third portion of its stand by credit facility.

BUSINESS DAY sources said this "start" will either be in the form of an official government announcement on the changes in the tax system or a presidential decree revising the tax rates effective Jan. 1 next year.

The main thrust of the changes is to replace the revenues that will be lost when the 5 percentage import surcharge and the 1 percentage foreign exchange transaction tax are lifted. However, the sources said the government and the IMF are planning to "slightly" increase the overall tax burden to ensure that the government's budget deficit targets for the year and for the next are met. Government officials said the report quoting President Marcos talking about the "tax increases" referred to the additional tax measures that are being planned.

A staff team from the IMF is scheduled to arrive in the country next week to evaluate the proposed tax measures. The government wants to reach an agreement soon with the IMF on the tax measures so they can be officially announced.

Officials noted that businessmen have been complaining to Prime Minister Cesar Virata that the government's ambivalence toward the tax changes has added to business uncertainties. Virata wants the tax measures, which will be implemented by the start of next year, to be announced either this month or the next in order to give the business community enough time to adjust to the changes.

A tentative agreement on the nature of the tax changes has been reached in the talks in Seoul between the government officials and the IMF, although this is still subject to the evaluation of the staff team that will be arriving.



The government intends to change the sales tax system, after junking the earlier proposal for the so-called turnover tax scheme. While the IMF was originally insisting that the government implement its commitment made last year (in its so-called "letter of intent") for a 50 percent across-the-board increase in sales taxes, the Seoul talks resulted in an agreement that only an additional 3 percent sales tax will be imposed on transactions between manufacturers and wholesalers.

On the other hand, the advanced sales tax structure will be changed. The present 25 percent tax on semi-luxury goods will be increased to 30 percent while those on ordinary commodities and basic (nonagricultural) commodities will be doubled. The advanced sales taxes therefore on ordinary commodities will be 20 percent while those on basic items, 10 percent. The overall tax rates on ordinary and basic commodities however will only approximate the current rates because of the junking of the 5 percent import surcharge and the 1 percent foreign exchange transaction tax.

The government calculates that the lowering of interest rates will soften the ultimate cost of the goods to consumers so that inflation will still be kept under control.

The government will actually be doing a balancing act when it implements the tax changes. On the one hand, it is worried that the tax changes may result in increased cost of commodities, because of traders' spreads, which will translate into a rise in the inflation rate. The government is also apprehensive even a slight increase in tax rates would have a dampening effect on business activity.

On the other hand, the government wants a major increase in its tax revenues in order to fund what it has called "counter-cyclical" measures to prompt economic recovery. It intends to pump prime the economy through increased expenditures in infrastructure to temporarily make up for the general unwillingness of private business to step up their investments.

Fiscal authorities say the apparently unsure position of the government in what tax measures to undertake only reflects its search for an appropriate balance. However, there are those who point out that the government is simply looking for a "bright idea"--like the 1 percent foreign exchange tax that is supposed to be charged banks but is actually borne by consumers--that officially will not mean an increase in the people's tax burden, but will really have the same impact.

CSO: 4200/99

PHILIPPINES

COLUMNIST TO FORM NON-PRESIDENTIAL CANDIDATES' MOVEMENT

HK170831 Manila BUSINESS DAY in English 16 Oct 85 p 5

["Here and Now" column by Francisco S. Tatad: "A Movement for Non-Candidates"]

[Text] Some friends of mine have asked me to help organize a movement of politicians who are not running for president. They want me to head the group and convince those who have announced their bid to join it as the "founding heroes" of the movement. Since both the KBL and the opposition need only one presidential candidate each, this could become the biggest mass movement to come up since all sorts of acronyms started spilling out in the street like alphabet soup. Crossing part lines, this could have, at full capacity, some 54 million members.

One finds it very tempting being able to lead a group infinitely larger than the KBL, Bayan, or the Philippine Statehood U.S.A. Movement. But the irony of it all is that, as of now, not even those asking me to head it seem willing or prepared to join it. They do not want to show their hand, they say; they would rather work behind the scenes. How completely self-effacing! But one runs the risk of heading a group with exactly one member.

I started working on a manifesto entitled "Why I Am not Running for President," in the hope that I could get most of the announced aspirants to sign it. But no sooner had I sat down on the draft than I read the signature of 37 of the 57 opposition MPs endorsing Doy Laurel for president. I also learned that another group had decided to launch a "Cory Aquino for President" movement, while Eva Estrada Kalaw and Jovito Salonga were each trying to tear the other to pieces. Even Lucio de Gala, in whom some recognize the old Pascual Racuyal, has been quoted as saying he's dead serious.

I spoke to my 85-year-old uncle, hoping to convince him to become the first charter member of the movement. I even slightly insinuated I could make him the movement's first vice-president. He was instantly belligerent. He said the only reason he had decided to outlive Serging Osmena, Gerry Roxas, Cesar Climaco and Ninoy Aquino, and bothered to undergo a weekly dialysis was because he wanted to have "a grudge fight" with Marcos. Marcos, he said, had already frustrated him thrice--once in 1965, when he first ran; another in 1969, when he was reelected; and finally in 1972 when the proclaimed martial law and went on to extend his term beyond the eight-year constitutional limit.

I gently reminded him that if he were a prizefighter, he would no longer be allowed to go up the ring and would have been consigned to the bench. He thought that nonsense. In his view, what is needed is not only an alternative to Marcos, but an alternative to the proposed alternatives to Marcos. That was obvious, he thought.

Nor did that seem a solitary view. Among the young, there seems to be the same perception to a very high degree. A study conducted by an independent group on the attitudes of the 18 to 25-year-old voters shows a very significant percentage of those who feel that whoever becomes president among the announced possibilities "will not make much of a difference."

They feel that no one of them has sufficiently addressed or is sufficiently addressing the real priority issues such as poverty, unemployment, hunger, rising cost of living, education, health, safety, human rights and "national dignity." There seems to be not enough awareness of the "needs" of the young. There seems to be "too much preoccupation with personal ambition" and not enough with "national ambition."

Whether one talks of the old or the young, one thing clearly emerges. There is an increasing demand for a leadership that is anchored on some clear vision of the national purpose, rather than simply on unalloyed personal ambition to get even with, or to replace, Marcos. There is increasing distrust of the political pharisee who says his hatred of the regime will suffice to save the country. Many continue to hope for a leader of wisdom and genuine virtue, but there seems to be an ever-increasing realization that the next government, to succeed, must rest on the solid foundation of a coherent political party or coalition of political parties which should then be responsible for the quality of administration, and through which party members and other citizens can influence programs and policies.

This view of politics is completely unsympathetic to, and incompatible with, the view of those who have not abandoned the foolish notion that simply by completely disregarding the position of the other factions of the opposition, one could push one's campaign for the presidency so far that by the time elections are finally called, one would have gone so far ahead that all the others would have no choice but to support the frontrunner's bid. It is a view that is increasingly taking hold of the public mind, and they would certainly suffer who fail to appreciate its arrival on the scene.

The suggestion that one could repeat the experience of then Vice-President Macapagal (or Gov Jimmy Carter of the U.S.) between now and the next presidential election has become an oversimple one, and absolutely out of context. The most important question for now has nothing to do with the identity of the man or woman who should replace Marcos. It has rather to do with whether the falling fortunes of the regime, the mounting threat of armed revolution, and the inability of the legal opposition forces to seize the initiative will not tempt or compel the military class, as the only organized forces in the country, to assume a political role in order to prevent the situation from being completely lost.

CSO: 4200/99

PHILIPPINES

FORMER SUPREME COURT JUSTICES FIGHT PRESIDENTIAL DECREES

HK170753 Manila BUSINESS DAY in English 16 Oct 85 p 11

[Text] Two former justices of the Supreme Court and two other lawyers yesterday gave additional arguments before the high court to support their earlier pleading to have five presidential decrees on security and public order declared unconstitutional for their "chilling effects" on the exercise of individual freedom.

Former chief justice Robert Concepcion, former justice Jose B. [word indistinct] Reyes, former Integrated Bar of the Philippines president Raul S. Roco and lawyer Raul Gonzalez took turns criticizing Presidential Decrees [PD] No 1834, 1935, 1836, 1877 and 1877-A, as well as Proclamation No 2045 and 2045-A.

Although the high court had declared the issue submitted for resolution, the ribunal reopened the hearing after Solicitor General Estelito Mendoza asked it to dismiss the case because of recent amendatory decrees which lowered penalties for security and public order crimes.

In his oral arguments, Concepcion said that what really is at issue is democracy itself because the decrees curtail the exercise of freedom of speech since one can be charged, for instance, for making statements derogatory to the government.

Concepcion said that while democracy is understood in the manner that sovereignty resides in the people and all government authority emanates from them, the decrees prevent this to happen when the people cannot even criticize the government out of fear.

For his part, Reyes said that PD 1877 and 1877-A, the decrees that authorize the president to issue preventive detention action (PDA) orders conflict with the provision of the Bill of Rights.

He said that the PDA decrees constitute "state terrorism" because persons detained on the strength of PDAs are helpless. He said that even the court cannot order the military to release detainees because under the decrees, only the president or his authorized representative may order their release.

"What happens to the supremacy of civilian power when the military can defy the order of the court?" Reyes added.

Roco argued that the recently promulgated PD 1974 and 1975 were not really improvements over PDs 1834 and 1835 because the former did not really lower the life imprisonment and death penalties for rebellion and insurrection cases.

He added that the vague provisions of the amended decrees are still not clear because possible violations are not clearly defined nor are there valid standards.

Roco also questioned the validity of the amendatory decrees because their issuance did not meet the requirements that the lawmaking power of the president must be exercised in case of grave emergency and immediacy.

For his part, Gonzalez asked the court to define and limit the exercise of the president in issuing PDAs.

Mendoza, who represents the government is scheduled to argue the side of the government on Oct. 24.

CSO: 4200/99



31 October 1985

## PHILIPPINES

## OFFICIAL ON FINANCING OF BATAAN NUCLEAR PLANT

HK170809 Manila BULLETIN TODAY in English 16 Oct 85 p 21

[Text] About \$260 million of the total foreign loans used to finance the construction of the \$1.95-billion nuclear power plant in Morong, Bataan are eligible for restructuring, Gabriel Y. Itchon, president of National Power Corp. (NPC), said.

Itchon said the amount covered by the agreement reached between the Philippine Government and foreign lending institutions represented due payments of NPC falling between October, 1983 and December, 1986.

Itchon said total outstanding nuclear loans as of August 30 have reached \$1.3 billion.

NPC has earlier said it may have to raise power rates by 30 centavos per kilowatt hour starting next year if it fails to obtain an operating license.

The plant has been incurring a daily interest expense of \$350,000 since the delay in the projected start-up of the plant last July.

The protracted delay in the operation of the plant has already started to cause serious strain in NPC's liquidity position.

According to Itchon, the delay in the operation of the plant has increased the foreign exchange cost of NPC's investment expenditures and exacerbated the power firm's problem in raising foreign loans to finance foreign exchange cost expenditures.

NPC, Itchon added, is still pursuing its request to exempt the debt service payments of the nuclear loans from the blocked deposit accounts of the Central Bank as a financial measure to relieve its problem.

"To the extent this shall be successful, it shall not be necessary to raise power rates to generate additional revenue for this purpose," he said.

Itchon explained that delay in the operation of the plant is straining the liquidity position of NPC since amortization and interest payments will have to be financed without a corresponding increase in revenues or savings from the output of the plant.

NPC so far has made principal repayments of \$30.0 million for the nuclear plant.

CSO: 4200/99

PHILIPPINES

EXPORT RECEIPT ABOLITION CAUSES REVENUE LOSS

HK170810 Manila METRO MANILA TIMES in English 16 Oct 85 pp 11, 12

[Text] The abolition of export clearances has deprived government agencies of at least P[Peso]5 million in revenues.

Collections from fees on inspection, commodity, and export clearances--which were abolished last March--dipped to P1.5 million, from an average of P6 million when these requirements were still in force, sources said yesterday.

Exporters, however, claim that the abolition of export clearances has not really affected the government's revenues.

"While the government abolished the export clearance fees, it slapped ad valorem (added value) tax on exported goods, which is more than enough to make up for the foregone clearance charges," a log shipper said.

The exporters said the abolition of clearances in fact expedited the processing of export documents.

Previously, exports had to go from one government office to another.

The clearances were also an added burden to the exporters. Besides, they were also a cause of delays in shipment.

For instance, the government used to slap at least 20 types of fees on fish exports.

The fees were being collected by the Bureau of Fisheries and Aquatic Resources, Bureau of Customs, Bureau of Quarantine, and the Philippine Coast Guard.

The clearances for exports were scrapped in March by the president in response to an appeal by the Philippine Exporters Foundation, which had pointed to the necessity of simplifying export procedures.

The clearance requirement, however, was retained for some goods when the following situations prevail:

The buyer-countries or importers require the Philippine Government to issue such clearances, like those for sugar and garments shipments.

When public interest deems the need for such a requirement, thus, the clearance requirement for banned exports such as firearms, logs (premium species) and copper; and when international treaties to which the Philippines is a signatory, require such clearances.

CSO: 4200/99

PHILIPPINES

EDITORIAL HITS RAMOS' REACTION TO ESCALANTE KILLINGS

HK171045 Davao City MINDANAO DAILY MIRROR in English 26 Sep 85 p 2

[Editorial: "Haste Makes Waste"]

[Text] It is unfortunate that Armed Forces of the Philippines [AFP] Acting Chief of Staff Lt. Gen. Fidel V. Ramos prematurely absolved the military in connection with the Escalante, Negros Occidental massacre.

The AFP boss' action was too hasty, based as it was on the mere say-so of a high military officer in the region who had allegedly claimed the soldiers fired at the large group of demonstrators "only in self defense."

Now it is Gen. Ramos himself who has ordered a thorough probe of the incident, an investigation requiring the exhumation of the victims' bodies for autopsy.

The "about face" of Gen. Ramos only serves to confirm the many instances where the military establishment tends to hastily protect its own in cases of apparent abuse of power and authority. This is only one of the many ways the military loses the respect of the very people it is sworn to protect: the Filipinos.

Let the investigation into the Escalante massacre be thorough, fair and swift—and those responsible punished accordingly.

CSO: 4200/99



PHILIPPINES

DAVAO EDITORIAL ON ESCALATING VIOLENCE

HK171251 Davao City PEOPLE'S DAILY FORUM in English 27 Sep 85 p 2

[Editorial: "Heinous Crimes"]

[Text] As the spate of violence continues and terror remains an instrument to stifle dissent, there will always be a reason to believe that the policy of "reconciliation" espoused by the regime is an empty call.

In Davao City, a supporter of the latest "Welga ng Bayan [Strike of the Nation] was shot dead by government troopers who swooped down on the place apparently on order to disperse the protestors. Few days ago a certain Sali Idao was abducted by some armed men aboard a red land cruiser without a plate number. He was found headless.

Which prompted lawyer Jesus Dureza, president of the local chapter of the Integrated Bar of the Philippines, to release a statement on the brutal slaying: "If there are misguided units in the military which are responsible for this modus operandi then we must put a stop to this. Our law enforcement agencies must never resort to terror tactics. Otherwise, they are not better than those who seek the overthrow of our democratic system."

In Escalante, Negros Occidental, protestors who were part of a big mass of demonstrators last Sept. 20 were gunned down by elements of the 334th PC [Philippine Constabulary] company and CHDF [Civilian Home Defense Force] members.

These scenarios have become typical in other parts of the country.

Who would believe now that the present leadership is true to its words? Against a backdrop of military abuses, of what use now are talks of reconciliation?

CSO: 4200/99

PHILIPPINES

EDITORIAL ON STATISTICS FOR VIOLENT CRIME

HK161007 Quezon City ANG PAHAYAGANG MALAYA in English 6 Oct 85 p 4

[Editorial: "Era of Violence"]

[Text] Government statistics notwithstanding, the ordinary Filipino senses from his daily reading fare or from gut-feel that violence has become a way of life under the regime. Not a day passes that violent crimes are not recorded in the [words indistinct], which have become a staple for some sensation-oriented tabloids. The wire-dispatch report of foreign news agency about violence being the No 1 adult killer in Davao City, therefore, does not come as a surprise to a lot of people who are also aware of the decades-old so-called war of liberation waged by the Moro National Liberation Front (MNLF) and the resurgence of the New People's Army (NPA) rebellion.

Nevertheless, figures, especially unusual ones, make up the stuff of juicy news items, and the AFP report certainly lives up to the standards of what is usually deemed newsworthy. Certainly, it is not everyday that violence would be tagged as the top killer in any particular region, but Davao City seems to have earned the dubious honor. The report cited government figures to show that violence had been the chief cause of adult deaths in that strife-torn southern city in 1984, and as yet unofficial data indicate this year's total could exceed that. Last year's deaths reached 854 residents killed by either knife or bullet wounds, while this year's official January to August data already show that 599 residents died from violence in the country's third largest city. Radio stations, however, which tally deaths from police and hospital records placed the figure at 706, in contrast with the records of the city health office and the local civil registrar. But whoever is right, the figures for 1985 would place the city's daily death rate at 2.58, up from the 1984 average of 1.25 killings per day. Thus, for Davao City, 1985 offers the promise of being a "banner" year.

We have not heard of statistics about violence in the City of Man but chances are it should not be lagging far behind Davao City. Just recently a top policeman took issue with reports that Manila is a "crime city" and cited statistics to clinch his point.

If his statistics is correct--and at the moment he deserves the benefit of the doubt--Metro Manila certainly is not yet as violence-prone as Davao City. But those who expect the worse should not feel too disappointed; a few more years of the corrupt dictatorship should guarantee that the City of Man could be the unrivalled front-runner in practically every venal endeavor.

CSO: 4200/99

PHILIPPINES

EDITORIAL QUESTIONS MARCOS FORECAST OF ECONOMIC RECOVERY

HK171037 Davao City MINDANAO DAILY MIRROR in English 1 Oct 85 p 2

[Editorial: "What Economic Recovery?"]

[Text] Economics, as a branch of knowledge which deals with the production, distribution and consumption of goods and services, is so complex a subject that even renowned economists still differ in their understanding and interpretation of its forces.

That the economy of the Philippines has plunged to its lowest ebb since the murder of former senator Benigno S. Aquino cannot be denied. Millions upon millions of Filipinos in their homeland are living below the poverty line. Hundreds of thousands are either unemployed or underemployed. And there is the spectre of another devaluation of the Philippine peso several months from now.

How then can President Marcos say that the country's economy is on the verge of an upswing--unless he says it with tongue-in-cheek nonchalance?

All one has to do is look around him and see the incongruity of the Presidential pronouncement of an economy recovery. More and more business establishments are closing shop. More people are being thrown out of work. Despite the lowering of the price of oil products as dictated by the oil producing and exporting countries the prices of goods and services have not gone down. In fact, they continue to threaten to rise.

One would like to believe the President's prediction, but at the same time one remembers only too well that what the President says and actually happens are most often total strangers to each other. The economy of the country is not subject to rhetorics. The latter is an art, but the former is a science beyond the comprehension of ordinary mortals. Including our own President.

CSO: 4200/99

PHILIPPINES

ECONOMIC UNCERTAINTY SAID TO CAUSE LOW INVESTMENT

HK160947 Quezon City ANG PAHAYAGANG MALAYA in English 7 Oct 85 p 7

[Article by Rosa Ocampo]

[Text] Banks are awash with money available for lending at lowered rates, but businessmen are not borrowing, Metrobank Vice President Peter Favila disclosed during the 11th Philippine Business Conference regional pre-conference workshop.

Favila said the wait-and-see attitude adopted by many businessmen indicates a slack investment and poor banking growth which will stay so long as uncertainty dominates the economy.

With over \$700 million foreign exchange idled in the vaults, banks are eager to finance and guarantee the importation of raw materials and finished products. Businessmen, however, are reluctant to open import letters of credit (L/Cs) because of low consumer demand capped by a 12 percent growth decline in 19 leading industries during the first semester of the year.

Few L/C issuances has also led to the 12 per cent decrease in import and an 11 per cent decline in export during the first semester of the year.

Favila said economic uncertainties partly stem from the restructuring of the countrys' \$27 billion foreign loans, the annual negotiations of which "will have great influence on interest rates, exchange rates, and inflation rates."

It is largely for this reason, he said, that investors are not borrowing despite the reduction in bank's reserve requirements to 23 per cent from 24 per cent and the lowering of lending rates to 25 per cent from over 40 per cent.

Other bankers share Favila's view, saying that "banks will grow only if the economy will grow, and not the other way around." Economic growth, they said, will depend heavily on the government's plan for economic recovery and the private sector perception of this plan.



Investors are wary of their lack of protection from sudden increases in interest rates as what happened during the last two years. They chided the banks for "unilaterally" raising lending rates from 19 per cent when they acquired the loan to as high as 42 per cent "without sufficient notice."

Banks, borrowers and depositors also lack protection in case of peso devaluation which will lead to an eroded peso value of their assets and to the surge in interest rates which characterized past peso devaluations.

Moreover, banks are saddled by high intermediation costs that are passed on to borrowers. Intermediation cost based on the index formulated by the Bankers Association of the Philippines (BAP) hovers at 7 to 7.5 per cent.

Favila explained that the high intermediation cost (23 per cent bank reserve requirements, 5 per cent gross receipts tax, and the bank's lending costs) accounts for the wide gap between the 9 to 11 per cent deposit rates and the 20 to 24 per cent lending rates.

He said many banks go on the "average costing" of time, savings and checking accounts or interest-free deposits. But most banks do not want to maintain big balances on their current accounts as a means to lessen their excess liquidity caused by the lack of borrowers.

In a related development, Philippine Chamber of Commerce and Industry (PCCI) president Felix K. Maramba affirmed businessmen's reluctance to invest in a shrinking market demand for most products, notwithstanding the offer of lower lending rates.

Maramba said economic recovery could be attained only by 1990 based on the negative growth in the gross national product (GNP), the total value of goods and services produced in a given time period, of over 6 per cent in 1984 and 5.4 per cent in the first half of this year.

CSO: 4200/99

31 October 1985

PHILIPPINES

GOVERNMENT REVIEWS TRADE LIBERALIZATION PROGRAM

HK161445 Quezon City ANG PAHAYAGANG MALAYA in English 9 Oct 85 p 7

[Article by Rosa Ocampo]

[Text] The government is caught in the dilemma of whether or not to implement the World Bank-dictated trade liberalization program scheduled late this year as an increasing number of industries have been asking for deferment.

Board of Investments [BOI] vice chairman Edgardo Tordesillas said that together with the private sector through the Presidential Productivity Council [PPC] ad hoc committee, the BOI is reviewing the deferment requests of tire, glass and certain food processing industries.

Many more industry sectors are expected to ask for a deferred trade liberalization program on the ground that with existing negative economic growth, many industries are still on a slump to be able to compete on an equal footing with the expected surge of imports and the lifting of tariff protection.

Tordesillas said the BOI is regularly meeting with the PPC ad hoc committee to evaluate the criteria and guidelines in determining what industries need to be covered by the liberalization program.

Trade liberalization will include the tariff reduction on certain imports and the removal of import restrictions on at least 16 community groups composed of over 1,000 products.

Under the program, the BOI will have to relinquish its monitoring and control of all the importations of domestic companies except for those covered by the four specialized programs, namely the importations of car, trucks, motorcycles and electronics manufacturers.

The program, which is a World Bank requirement for the restructuring of the country's \$26 billion foreign loans, is intended to lower prices and also lower the 28 percent tariff wall, now the highest in Asia.

Local industries contend, however, that opening the floodgates to imports would increase dumping or the influx of cheaper imported items to Philippines and at the same time would unduly compete with domestic industries, many of which are already suffering from a sales slump.

Tordesillas said the BOI is working with the PPC ad hoc committee on the mechanics and necessary safeguards to ensure private sector protection for any misuse of the trade liberalization policy.

Tordesillas said these safeguards include the "anti-surge mechanism," a system whereby some monitoring could be reinstated event of undue surge in imports.

He said there is also an "anti-dumping mechanism" which the government is trying to streamline to expedite the protection from dumping. Under existing procedures it takes a long time before the anti-dumping law takes into effect.

Another safeguard is a review of the tariff structure to determine which industry and commodity items require tariff adjustment so local manufacturers could still remain competitive.

Included in the tariff review is the rate of increase and decrease in tariffs for imported raw materials and finished products.

While the review of the trade liberalization program is still in its initial stage, Tordesillas said these will be spelled out before the year ends.

CSO: 4200/99

PHILIPPINES

CONTINUED POPULATION GROWTH POSES THREAT

HK171313 Davao City MINDANAO DAILY MIRROR in English 4 Oct 85 pp 4, 5

[Article by Eric S. Caruncho]

[Text] The next 20 years will see the continued growth "and even exacerbation" of regional population imbalances in the Philippines, with the birth rates higher than the death rates. From a demographic or population point of view, Mindanao will be the most disadvantaged among the country's three island groups.

These were the projections of Mercedes B. Concepcion, PhD, dean of the University of the Philippines Population Institute "Philippines: Population Trends and Dilemmas"; the report was published in the PHILIPPINE POLLUTION JOURNAL.

Drawing from statistics on national and regional population growth rates, age and sex composition, fertility, death rates, and population distribution, the study probed the implications of demographic trends on the country's economic and social development plans.

Dean Concepcion said planners and policymakers should pay closer attention to these demographic trends. She added, however, that while planners should seriously consider the potential leaders of the nation, "the dominance of Metro Manila in national affairs will be increasingly felt over time." But, "if the present trend continues, Mindanao will pose a challenge to the National Capital Region and its adjacent areas in terms of determining much of the future character of Philippine society."

Death rates have decreased in all of Luzon and the Visayas, but Mindanao "continued to manifest unchanging or even rising mortality." In 1980, mortality levels in Western and Central Mindanao were 14.3 deaths out of a population of 1,000.

The country continues to face major health problems. In the mid-1950s, Philippine health officials listed these as malaria, TV, malnutrition, and sanitation.

"Twenty years later," Concepcion reported, "only TB was deleted from this list but schistosomiasis (snail fever) and drug abuse were added."

The Philippine Development Plan for 1983-1987 emphasizes primary health care, which includes curative services but aims at prevention of diseases.

"Despite this emphasis," Concepcion said, "the proportion of the national budget devoted to health needs has been declining from about six percent in the early 1970s to around four percent in 1984".

The Philippines remains a predominantly rural country but proportion of urban population is growing steadily. The growth rate of the urban population, reported as "sluggish" from 1948 to 1975, experienced a sudden spurt in the interval 1975-1980; it grew to 5.02 percent from 3.76 percent in 1970-1975.

Migration within regions will remain significant, Concepcion concluded. Since 1960, one out of every seven Filipinos had transferred residence across municipal boundaries. About one in every 50 persons aged five and older had moved from one region to another from 1970 to 1975. From 1975 to 1980, the figure grew to three out of every 100.

Migrants were drawn to Metro Manila, Southern Tagalog, Northern and Southern Mindanao. In the 1960s and 1970s, Ilocos, Bicol and the whole of the Visayas experienced heavy out-migration.

CSO: 4200/99



PHILIPPINES

FISHERIES AGENCY OBTAINS EUROPEAN FINANCING

HK170847 Manila METRO MANILA TIMES in English 15 Oct 85 pp 11, 12

[Text Iloilo City--The aquaculture department (AQD) of the Southeast Asian Fisheries Development Center (Seafdec) here is clinching new contracts this year with foreign entities in a bid to increase earnings and extend aquaculture technologies.

AQD chief Alfredo C. Santiago, Jr said the France-based Research Center Ifremer would finance the needs of the European Community which is expected to send experts here by November. Ifremer is expected to contribute \$17,000 to the department.

He said the Hawaii-based Oceanic Institute, which is heavily funded by the United States Agency for International Development (USAID), is similarly seeking Seafdec assistance on the training of its fisheries personnel.

The AQD, one of three departments of Seafdec, a regional treaty organization founded in 1967 by Malaysia, Philippines, Singapore, Thailand, Vietnam, and Japan, derives 60 to 70 percent of its budget from the Philippines.

Santiago said the other two departments--the marine fisheries trading department in Bangkok, Thailand, and the marine fisheries research department in Singapore--were heavily funded by Japan.

Santiago said the AQD expected to receive about P50 million from the Philippine Government for next year's operations. This year, it was given P45 million through the Ministry of Foreign Affairs.

He said the AQD's yearly budget was P80 million with the remaining amounts coming from Canada's International Development Research Center (IDRC) which pours in about P10 million, and the United States, about P1 million. Japan provides cash contributions of about P7 million in addition to equipment donations.

Santiago said the difference in the yearly budget was filled in by earnings of the department, from the extension of new technologies to fish-farmers and entrepreneurs, both local and foreign, the bulk of which is in the hatchery sector.

This year, he said, AQD earnings reached about P10 million.

He added, however, that there were attempts to reduce subsidies to the department.

"But we can generate earnings if government withdraws its support," Santiago said, adding, however, that this would need an amendment in their charter which must be sanctioned by its member-countries.

Seafdec's general headquarters is in Tigbauan, Iloilo. It has three research stations and three substations in the Philippines.

These are the Leganese research station, 17 kilometers northeast of Iloilo City which operates on a 76-hectare brackishwater pond system; the Bingangonan research station located in one of the country's richest fishing grounds--the Natan-Banga bay system in Aklan, Northern Panay.

CSO: 4200/99

PHILIPPINES

SERIOUS PROBLEMS IN BICOL SUGAR INDUSTRY

HK170300 Quezon City ANG PAHAYAGANG MALAYA in English 10 Oct 85 p 10

[Article by Gabriel Hidalgo Bordado]

[Text] Pili, Camarines Sur--Two months ago, Pelicio de Jesus, 40 suddenly found himself unemployed for the first time in a decade. He and 400 other workers were "temporarily" laid off by the Bicol Sugar Development Corp. [Bisudeco], a P [peso] 600-million sugar milling complex located at the outskirts of this provincial capital 15 kilometers south of Naga City.

The Bisudeco management, in a tersely worded memorandum, cited the worsening sugar industry crisis as the primary reason for the mass layoff.

With a wife and four children to support, De Jesus had to rely first on his meager savings while he desperately searched for job openings. But in a region where unemployment is the rule rather than the exception, De Jesus' efforts eventually proved futile.

As his savings ran out, De Jesus had no recourse but to turn to his equally impoverished relatives for help. Today, the once proud powerhouse operator is nearing his wit's end. The daily struggle for survival has apparently taken its toll.

De Jesus' case may well typify those of the other workers and their dependents. Overall, the situation is fast approaching crisis proportions. For with the inclusion of the planters and their farm hands, the sacadas, and the rest of the seasonal laborers, the number of affected persons can easily reach 35,000. And set as it is in a region long wracked by international strife due to widespread poverty and unemployment, the situation may soon rival that of Negros.

Ironically, no sustained effort has been done either by the government or the private sector to avert the impending disaster. Lack of media exposure is, perhaps, one of the underlying reasons for this seeming indifference.

The Bisudeco, for its part, can hardly be expected to take the cudgels for the harassed Bicolano planters and workers. Since its establishment in 1973 and long before the sugar industry crisis set in, the quasi-government corporation had been losing heavily as a result of graft and mismanagement.

"Properly managed, the sugar mill should have been making money. But the managers from way back apparently bungled their jobs. Just look at the multi-million peso machineries and equipment rotting in the Bisudeco compound," Donald Domulot, president of the Bicol Sugar Workers' Union, said.

Domulot also assailed the Bisudeco management for its lack of sensitivity to the problems affecting the sugar mill operations. Instead of meeting such problems head on, the management opted to ignore them until they blew out of proportion, he claimed.

Early this year, a study conducted by a multiagency task force identified the following problem areas in the Bisudeco operations as: low operating capacity of the sugar mill due to frequent breakdown; losses incurred by planters due to typhoons and droughts; inefficient cane hauling and trucking system; and non-synchronization of milling and harvesting, resulting in the deterioration of sugarcane.

There had been moves to convert the sugar mill into an alcohol extracting plant. However, the costs involved and the sweeping changes to be effected in the industry structure could very well negate the projected gains.

And now comes the coup d'grace. The latest government pronouncement that the Bisudeco, along with 9 other sugar centrals, will be temporarily closed renders the discussions on the future of the mill moot and academic.

"Of course, we will not take this development sitting down. We have filed a case of illegal lockout against the Bisudeco before the regional office of the National Labor Relations Commission.

Meanwhile, death from starvation haunts the workers and their dependents. Unlike in Negros, relief aid here comes in trickles. The emaciated faces and bloated stomachs of children in the workers' quarters at the mill site attest to the severity of the problem.

What must be done now is to look for ways to ameliorate the lot of the workers and their dependents. The rumblings, at this stage, may not be that earth-shaking to merit national or international media exposure. But shall we wait for another social volcano to erupt in this heart of Bicolandia?

CSO: 4200/99

PHILIPPINES

BRIEFS

**COLUMNIST ON THREATENED U.S. PULLOUT--Tokyo--**We are happy that Vice President George Bush has taken a position on U.S. military facilities in the Philippines. He denied that the U.S. is looking for other bases to replace them. The U.S. position should be defined once and for all. We are not afraid of the Americans pulling out of our bases. We can do without the military facilities. The American media have been trying to project the impression that we are frightened by a U.S. pullout from the bases. That is why they keep on saying that the Americans were thinking of transferring their facilities. We never asked for the facilities. They exist by sufferance. The truth is that the U.S. military facilities limit us to only one friend--the U.S. Without the bases, we can gain more friends throughout the world. [From the "Over a Cup of Coffee" column by Theodoro F. Valencia: "We're Not Frightened"] [Text] [Manila PHILIPPINES DAILY EXPRESS in English 15 Oct 85 p 4 HK]

**MARCOS OPTIMISTIC ABOUT ECONOMIC RECOVERY--**President Marcos says that things are looking up as the Philippines gradually moves towards true economic recovery. The president expressed this optimism [words indistinct] report from Prime Minister Cesar Virata on his meeting with the World Bank governors in Seoul, South Korea. The chief executive said that Virata has informed him of the need to finalize some of the measures agreed upon during the Seoul meeting. These measures were already contained in some of the (reports) that the president has signed. He cited a (79) percent increase in the number of registered medium-scale industries [words indistinct]. The report also says that there is an increase in the volume of imported raw materials [words indistinct]. [Text] [Quezon City Maharlika Broadcasting System in English 1000 GMT 16 Oct 85 HK]

**CIVIL TRIAL FOR ESCALANTE INCIDENT--**Defense Minister Juan Ponce Enrile said yesterday [16 October] he would recommend a waiver for the court martial proceedings of soldiers involved in the Escalante shooting, so they can be tried in the civil courts. Minister Enrile said he would make his recommendation to President Marcos to avoid further delays in the prosecution of the case. Minister Enrile met the officials of the Integrated Bar of the Philippines, at which the Escalante incident was discussed along with the issue of lawyers under detention. Meanwhile the situation in Escalante, Negros Occidental, is back to normal after the September 20 incident. The commander of Task Force Sugarland denied published reports that political tensions are rising in Escalante. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 16 Oct 85 HK]



**RAMOS ON COUNTERINSURGENCY EFFORTS**--Acting Armed Forces Chief of Staff Lieutenant General Fidel Ramos said yesterday [16 October] the government is doing all it can to combat insurgency in the country. In a speech before the Philippine Insurers Club's monthly meeting at the Manila Hotel, Gen Ramos briefed the club's members on the actual strength of the New People's Army and ways to combat them. However, he said, that while some sectors might think that the armed forces should fight the military arm of the Communist Party of the Philippines [CPP], the more important battle remains in the ideological field. [Begin Ramos recording] And this is the dilemma that faces the Armed Forces of the Philippines today, because as you might know, we cannot apply armed force against the underground organization of the CPP-NPA without better ideology, better performance in the delivery of the basic needs of the people, and a better information campaign. This, of course, is perhaps beyond the expertise and the capabilities of the Armed Forces of the Philippines, but must be challenged and attended to by integrated civic action, with the armed forces in support. [Words indistinct] the expertise and capabilities of the civilian government agencies, and especially the private sector. [End recording] [Text] [Manila Far East Broadcasting Company in English 2300 GMT 16 Oct 85 HK]

**ESCALANTE CASE 'MEDDLING' HIT**--Defense Minister Juan Ponce Enrile yesterday [17 October] summoned a multisectorial fact-finding board to come forth with all the evidence on the Escalante massacre. At the same time Minister Enrile lashed out at political kingpins in Negros who were reported to be meddling in the Escalante case. He promised to take care of the problem and vowed that he will not allow this case to paralyze the nation. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 17 Oct 85 HK]

**ANOTHER ACQUITTAL ASKED IN AQUINO CASE**--Another high-ranking military official has asked the Sandiganbayan to acquit him in the 1983 assassination of former senator Benigno Aquino Jr. In his memorandum, Major General Prospero Olivas argued that government prosecutors had failed to overcome the constitutional presumption of innocence and prove beyond reasonable doubt that he was an accessory to the crime. Gen Olivas is on leave as constabulary and police chief of Metro Manila. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 17 Oct 85 HK]

**RELATIATION FOR JENKINS BILL**--If Reagan approves the controversial Jenkins bill, it will expose the United States as a ruthless bully and an inveterate hypocrite. It is senseless logic to insist that garment imports from Asian countries like the Philippines and Hong Kong will hurt American companies while those from Europe and Canada will not. The message is clear--the U.S. is too willing to hurt Third World countries which cannot retaliate. The European countries and her neighbor Canada can fight back. Poor countries like the Philippines can only shout and cry in anguish. Let's get even. We could probably demand bigger rental fees for the American bases here. The increase should be more than enough to offset losses to be incurred as a result of slower garment exports to the U.S. Or better still, let's dismantle those bases. If in times of peace we cannot depend on America, how the hell can we expect any help from her if there is war? [From the "Business Hotshots" column by Eleazar Lopez: "Republic of Philippines Should Retaliate Against U.S. Textile Bill"] [Text] [Manila TIMES JOURNAL in English 15 Oct 85 p 7 HK]

ECHEVERRIA 'REFORMIST GOVERNMENT MESSAGE'--"History will no doubt mark the establishment of the New Republic as among the most trying moments of our nationhood. It is characterized by perils and epics as intense and emotional as the perils epics of the Revolution of 1896. Where the struggle of 1896 secured our political liberation, our struggle today is to maintain that political freedom through higher productivity and cultural reorientation. We have not fully conquered the vestiges of colonialism but the national experience and lessons in crisis leadership exemplified by His Excellency President Ferdinand E. Marcos inspire and give courage to a reformist government committed to pursue its vision of a nationalist and humanist Philippine society." Signed: Jaime C. Echeverria Brig. General AFP Commander RUC XI-AFP [Text] ["Message": "The Reformist Government: Nationalist, Humanist"] [Davao City PEOPLE'S DAILY FORUM in English 11 Sep 85 p 1]

CSO: 4200/44

THAILAND

THAI NATION PARTY LEADERSHIP DISPUTE ANALYZED

Bangkok SIAM RAT SAPDA WICHAN in Thai 8 Sep 85 p 6

[Article: "Thai Nation Party Power Struggle, a Problem Between Praman and Chatchai"]

[Text] The movement by certain members of the Thai Nation Party to effect changes within the TNP at a time when Maj Gen Praman Adireksan, the party leader, was out of the country, is a very interesting matter. News reports have stated that the real intention of this group was to take power away from Maj Gen Praman and give it to Maj Gen Chatchai Chunhawan, the deputy party leader who is an MP from Nakhon Ratchasima Province and who is the brother-in-law of Maj Gen Praman.

Several MPs such as Police Maj Gen Sup Phongsuwan, an MP from Singburi Province and Mr Soemsak Karun, an MP from Rayong Province, urged other MPs to join them in making a motion to improve the structure of the party, claiming that Maj Gen Praman and Maj Gen Chatchai had already reached an agreement on this. Because of this, about 30 MPs joined in making this motion. Lt Gen Chan Angsuehoti, an MP from Kanchanaburi Province, read the motion at a party meeting. Right after he finished reading the motion, Mr Banhan Silapa-acha, the secretary of the party, made a motion to close the meeting. This greatly displeased several MPs who wanted to debate the motion.

"This motion was made in order to improve the structure of the party since the party's past administration had been a failure, which has resulted in the party becoming an opposition party," said a news source. "As the newspapers have said, they wanted to replace the leader of the party. Mr Chatchai said that he had talked with the party leader. But I don't think that the party leader knew anything about this."

Mr Phaithun Khruakao, an MP from Lamphang Province and the man who made this motion, said that the reason why he made this motion was that there was a movement to dissolve parliament. And he also felt that the 1987 general election was fast approaching and that it was, therefore, necessary to improve things within the party in order to make progress.

This conflict within the TNP is the worst conflict that this party has ever experienced, with the exception of the conflict over the expulsion of Col Phon

Roengprasoetwit, an MP from Uthai Thani Province and the former leader of the TNP. This resulted in Col Phon's faction resigning from the party. The MPs who are considered to be the "life and blood" of the TNP have divided into groups. These are referred to as the young turk, old turk and neutralist groups.

The activists in the young turk group are Mr Pongphon Adireksan and Mr Piyanat Watchraphon, an MP from Sisaket Province. They have joined forces with several MPs who accept their position as members of an opposition party. While they are not happy with this, they feel that since they are an opposition party, they must carry out the duties of an opposition party in order to score achievements and erase the party's image as an "ineffective opposition party." This group has succeeded in getting the party leader to side with it. The old turks still hold to the idea that the party must be in the government. The line of this group is similar to that of Col Phon.

"Recently, things have been very strained between the party leader and Maj Gen Chatchai. I think that the party leader is unhappy with Chatchai for following the line of the soldiers," said the news source. "Chatchai is upset because the party leader is following his son's line even though most of us feel that the party leader has done a good job recently and that his image has improved.

"One point that is probably true is that Mr Chatchai probably does want to become party leader. Politics in this party is like a family industry," said the news source. "Mr Chatchai may use the victory in Korat to help himself become the new party leader. This is why this matter of improving the party arose."

The news source also observed that "I think that Chatchai agrees with the military that Gen Prem will still be the prime minister after the 1987 election. If Maj Gen Praman remains the party leader, the party will probably not join the government since it once announced that it would not join the government as long as Prem was prime minister. Thus, Chatchai must begin making preparations now. There is a year left before the election. That should give him time enough to build his image as a leader. Unless changes are made now, Chatchai will not have enough time.

"I also believe that Maj Gen Chatchai and Col Phon are in constant contact with each other," said the news source. "They are very close and think the same way. I am sure that Col Phon knew about this beforehand. If Mr Chatchai fails this time, he may leave the TNP."

This movement in the TNP is just the beginning. Lt Gen Chan has gone to Japan in order to talk with Maj Gen Praman about this matter.

"It is my understanding that Lt Gen Chan went because he is a close friend of Maj Gen Praman. Chan once asked to resign when Col Phon was expelled. The party will probably meet to discuss this matter before the special meeting of parliament is convened," said the news source.

As an opposition party, the TNP has not achieved very much. These internal problems within the party will wear away the strength of this opposition party. While this will not affect the government very much, it should please the government somewhat.

11943

CSO: 4207/300



THAILAND

RTAF VICE CHIEFS OF STAFF, 1ST KING'S GUARD COMMANDER PROFILED

Bangkok DAILY NEWS in Thai 9 Sep 85 pp 5, 6

[DAILY NEWS Square column by Nanthana: "Two Men Who Play Important Roles at Don Muang Both Hold the Position of Vice Chief of Staff; the New Commander of the 1st Royal Guards Division Is a Fierce Fighter From 'Pa Wai'"]

[Text] The two men who will become the RTAF vice chiefs of staff this October are Air Vice Marshal Woranat Aphichari and Air Vice Marshal Kaset Rotchananin.

Air Vice Marshal Woranat Aphichari was born on 15 May 1934 in Nakhon Ratchasima Province. His parents were Mr Kasem and Mrs Chiem Aphichari, who are natives of this province. He attended Assumption School, two classes behind air marshals Prakop Buraphat and Prasitthi Hetrakun and Police Col Nit Chaikienti. During his primary and secondary school years, he was a very good student, scoring first in his class almost every year. He also skipped grades (for example, after completing Grade 7, he skipped Grade 8 and entered Grade 9).

Air Vice Marshal Woranat began playing a more important role in the air force when he was promoted to squadron leader and made the head of operations, Group 1, in 1967. Group 1 is a very important group since it is the air force's main attack and intercept unit. It uses only very powerful aircraft such as jets. He is a jet pilot, too. In 1972, he was promoted to wing commander and made the deputy head of the training section, Flight Training School. Three years later, he was promoted to group captain and made the deputy director of operations, Tactical Air Command. He was then promoted to special group captain and made the director of operations, Tactical Air Command. Following that, he served as the chief of staff of the Directorate of Air Operations Control and the deputy director of operations.

In 1982, he was promoted to air marshal and made the director of air force operations. He was promoted to air vice marshal in 1984 and made the assistant chief of staff for operations. And this October, he will become the RTAF vice chief of staff. He is also a senator.

As for his education, he has always been number one in his class, including when he attended the Air Force Staff College in England, the Air Force Staff College and the National Defense College, Class 26.

Air Vice Marshal Woranat Aphichari is married to Phochai Rattananen. They have one child, Thachit Aphichari. As for his personal habits, he follows the religious precepts and fasts. He likes peace and quiet. He rarely goes anywhere. Some say that he is shy and that he is a rather serious person. If someone sees him smile, they immediately purchase a lottery ticket, certain that they will hit the jackpot.

I almost forgot to mention that he has flown jet aircraft ever since Thailand acquired its first jets, that is, the T-33. He still flies.

Another important air force officer who will become RTAF vice chief of staff in October is Air Vice Marshal Kaset Rotchananin, who has been promoted from assistant chief of staff for service operations.

Air Vice Marshal Kaset was born on 27 August 1933 in Pak Phrieu Subdistrict, Muang District, Saraburi Province. His parents are Mr Soem and Mrs Arun Rotchananin. He attended the Bamrung Withaya School (the Saraburi provincial school for boys), where he completed lower secondary school in 1949. He then attended Triemudom School, where he completed upper secondary school in 1951 as a member of Class 13, the same class as Lt Gen Chawalit Yongchaiyut. In 1952, he entered Chulalongkorn University as a premed student. In 1953, the air force established the RTAF Academy and accepted 31 cadets in the first class. He took the test to enter the academy and scored sixth. He took flight training at the Korat air base flight training school in Nakhon Ratchasima Province, where he was in Class 25. He graduated from the RTAF Academy in 1958. He was assigned to Flight 52, Group 5, in Prachuap Khiri Khan Province. He served with Group 5 for 6 months before being selected to take the test to become a jet pilot with Group 1. He flew T-33, F-84 and F-86 aircraft. He later served with Group 4, Group 6, Group 2 and Group 6 again. He then became the director of logistics. After that, he served as the assistant chief of staff for service operations. Now, he has been made the RTAF vice chief of staff.

Besides this, Air Vice Marshal Kaset Rotchananin has been an officer with the Special Air Force and a pilot with the Royal Conveyance Division. He was a pilot with the 1st Transport Unit in the Korean War. He was the head of the 2nd Victory Air Unit in the Vietnam War. He was the first leader of the air unit to be promoted to group captain. He was among the first group of Thais to fight in the Vietnam War. He led Transport Unit 4 (C-123 B) into action there in cooperation with the U.S. Air Force. He was a member of the National Reform Council and the Legislative Council. He is now serving as a senator. He is also on the board of the Textile Organization, Ministry of Defense, and Thai Airways International Ltd.

Air Vice Marshal Kaset Rotchananin is the person who founded the Junior AF Officers' Association in order to generate unity among junior AF officers and the person who started the Junior AF Officers' Cooperative program. He is the managing director of this program. The objective of this program is to make available housing and land in order to help solve the problems of air force personnel whose incomes are small. They are given long-term mortgages at the lowest possible price and at the lowest interest rate available in the

country. They do not have to pay anything down. However, those who buy on time must be members of the AF Officers' cooperative.

The current director of logistics is married to Wanthana Lamaikham. They have three daughters.

No one ever thought that Maj Gen Wimon Wongwanit, the commander of the 1st Special Forces Unit, would become the commander of the 1st Royal Guards Division in place of Maj Gen Isaraphong Nunphakdi. Everyone thought that this position would go to someone else.

In its June edition, the magazine HIGH CLASS published a story on this officer who is about to take command of the most important division in Thailand. The article said that Maj Gen Wimon Wongwanit was born in Chaiya District in Surat Thani Province. He completed secondary school at the Surat Thani provincial school. He then entered the Military Preparatory School. Following that, he entered the Chulachomkla Royal Military Academy, Class 5.

The new commander of the 1st Royal Guards Division was born in 1934. He has always played sports. He played rugby at the preparatory school and at CRMA. He once played on the national rugby team. He competed in the Wachiralongkon Cup in Singapore, where the team came in first. Besides that, he was a member of the 4 X 100 meter relay team that shattered the Thai record.

After graduating from CRMA, he was assigned to the 21st Infantry Regiment. He was then transferred to the the paratroop unit at Lopburi, or the Pa Wai unit as it is called. He took the army staff course. Following that, he underwent special forces training in the United States for 1 year. He also took the staff officers' course at Camberly in England. When he returned to Thailand, he was stationed along the border. His work brought him to the attention of Gen Prem and to the attention of an officer who was well known among the troops even in remote border areas, that is, Gen Athit Kamlangek, who was then stationed in the northeast. The new commander of the 1st Division worked in Ubon Ratchathani Province and in nearby provinces. Almost all of his work was very dangerous. Many of those who worked with him were killed. But he always managed to escape unharmed. He always wore two or three amulets, considering this an act of faith.

He is now 51 years old. He is a senator. He is very active physically. He plays sports with his subordinates and participates in tactical training exercises. Because he is always prepared, he always achieves good results. Recently, in his capacity as the president of the RTA Parachute Association, he took the RTA parachute team to compete in the Pacific region parachute championship in Australia, which was won by the Thai team.

The hero of the new commander of the 1st Division is King Taksin, a resolute warrior who knew his targets. For example, when he attacked Chanthaburi, King Taksin had his troops smash the pots. He was skilled at giving orders. What he meant was that his troops should not return if they failed in their objective. Smashing the pots meant that they had to take Chanthaburi.

As for the personal life of this man who does not smoke or drink but who loves sports, he is married to Mali, a doctor who was once a captain in the military. They fell in love after meeting at a golf course in Ubon Ratchathani Province. Both were over 30 years old when they married. Dr Mali resigned her commission and became a housewife. They have two daughters, Golf and Gift. He was married previously to a dentist, by whom he had a son and a daughter.

This is a profile of this handsome and talented general who is dedicated to his work. His future looks very bright.

11943

CSO: 4207/2



THAILAND

NEW DEPUTY COMMANDER OF 3RD ARMY PROFILED

Bangkok DAILY NEWS in Thai 16 Sep 85 p 5

[DAILY NEWS Square column by Nanthana: "The Commander of the 4th Division Has Been Made the Deputy Commanding General of the 3rd Army Area"]

[Text] The military reshuffle occurs this October. Maj Gen Siri Thiwaphan, the commander of the 4th Infantry Division, which is based at the Phra Naresuan Maharat Camp, will become the deputy commanding general of the 3rd Army Area. At 51, he is still a young officer.

Maj Gen Siri Thiwaphan was born on 17 May 1934 at Ban Khok Kham in Kum Hak Subdistrict, Nong Khe District, Saraburi Province. He attended school in Saraburi Province. After that, he attended the Military Preparatory School and Chulachomklao Royal Military Academy. He became a platoon leader in 1957. Many classmates of his are quite well known. He chose the infantry. He took the platoon leaders course at the Infantry School and the company commanders course at the same school. He took the field-grade officers course at the Infantry Center, Army Staff School. He took the paratrooper course as a member of Class 68 at the Special Warfare School. Most recently, he attended the Army College in 1981. As for foreign studies, 26 years ago, he took the (infantry) communications officer course at Fort Benning in the United States.

In 1963, he served as a company commander with an infantry battalion subordinate to the Infantry Center. He was then a captain. In 1970, he became the head of the operations section of the 4th Infantry Division. He also served as the deputy chief of staff of the 4th Infantry Division. In 1977, he became the chief of staff of the 4th Infantry Division. He became the deputy commander of this division in 1981. In 1982, he became the commander of the 4th Infantry Division. And now, effective this October, he will be the deputy commanding general of the 3rd Army Area.

He has always done an outstanding job in performing his military duties and in performing tasks of public benefit. He was selected to be the 1985 Thai Man of the Year. He is married to Pranom Thiwaphan. They have two sons and a daughter. He likes to play tennis. Besides that, he likes to chat with friends from the military and with people in general. He is liked by everyone because of his sincerity.



As for well known activities, he was appointed director of the Phra Neresuan Maharat Camp Development Project. He worked very hard to develop this camp. The barracks, housing, society and environment in the camp were improved. Steps were taken to improve the mental outlook of the soldiers who lived in the camp and to improve safety of life and property. Many other things were done, too. The target was to develop things on both the material and spiritual fronts.

At the beginning, almost all of the deteriorated areas were developed. But little progress was made in developing the living quarters of the soldiers. Thus, Maj Gen Siri Thiwaphan, the director of the camp development project, took steps to arouse the soldiers and get them to cooperate in improving the housing. He set definite days for housing development, that is, the second and fourth Saturdays of every month. Besides that, on various holidays, he arranged for people to develop the housing and government installations. Maj Gen Siri was always there to supervise the work and make suggestions.

Later on, after getting the soldiers and their families to see the importance of this work and winning their full cooperation in this development project, Maj Gen Siri, as the project director, stipulated that they were to develop an orderly, clear and beautiful village, a "model military development village." "Model Military Development Village No 1," which provided housing for the families of 180 NCOs, held a ceremony to officially open the village on 23 March 1982. Following that, he took the lead in encouraging the soldiers and their families to work continuously at improving their village. The environment in the village was made more attractive. Flower gardens were planted in front of the houses, and vegetable gardens were planted in the back. Stores were established on base, with everything done in an orderly way. Finally, this became a "model military development village." Now, there are six such villages.

Besides that, signs were posted along the camp's main roads and in the housing areas in the camp in order to encourage everyone to be aware and to conduct themselves properly. He opened training classes for the youths in the camp and held classes on moral relations in the family. He tried to instill political ideals in order to increase people's awareness. On the signs that were posted were sayings by the king, the government and the RTA CINC.

11943

CSO: 4207/2

THAILAND

NEW TNP KORAT MP DISCUSSES ECONOMIC ISSUES, OPPOSITION

Bangkok LAK THAI in Thai 29 Aug 85 pp 11-14

[Article: "The Korat Election, an Expensive Lesson for the Democrat Party"]

[Excerpts] The by-election in Nakhon Ratchasima Province is over. There was no violence. The people of Korat exercised their right to vote in a satisfactory way. While the Ministry of Interior had hoped for a bigger turnout, voter turnout was about as expected.

A Young Soldier Is Elected to the House of Representatives

This election turned out as generally expected. Maj Thoetrut Bunyarut, candidate number one, who belongs to the Thai Nation Party, was elected MP. He received 221,137 votes. Mr Somphong Premruthairat, candidate number two, who belongs to the Democrat Party, received 161,051 votes. Lt Gen Yiem Intharakamhaeng, candidate number three, who belongs to the Siam Democracy Party, received only 80,085 votes.

The results of this election did not come as any surprise since it had always been thought that Maj Thoetrut would win this by-election because of the advantage held by the TNP. The TNP has nine MPs from Nakhon Ratchasima Province and so he had the advantage over candidates from other parties. However, there were certain things that came as a surprise. It was thought that this struggle on the political field would be a battle between Maj Thoetrut Bunyarut and Lt Gen Yiem Intharakamhaeng, not Mr Somphong Premruthairat.

The reason for thinking that was that Korat is a military province. Relations between Col Phon Roengprasoetwit and soldiers in the 2nd Army Area are quite strong. Also, Lt Gen Yiem once served as the deputy commanding general of the 2nd Army Area. He has great influence and knows many people here. But as it turned out, Lt Gen Yiem came in last, finishing behind the second-place candidate by 70,966 votes.

The TNP Had the Advantage

The TNP has nine MPs from Nakhon Ratchasima Province. It won in almost all the districts. Also, MAJ Gen Chatchai Chunhawan was the election manager. This

gave the TNP a decided advantage since Maj Gen Chatchai Chunhawan has great influence in this area. Korat is like his second home. Thus, the TNP had a great advantage.

Furthermore, this by-election was as joint-zone, joint-number type election. This provided the TNP with a good opportunity to gain votes. This type of election was no obstacle to the TNP since it already has a large number of MPs. On the other hand, the Democrat Party, including Lt Gen Yiem, had to campaign very hard.

Since the timing and conditions were so favorable, the "great master" party, or TNP, mobilized its forces for this election. Maj Gen Praman Adireksan, Maj Gen Chatchai Chunhawan and several northeastern MPs campaigned on behalf of Maj Thoetrut. The election of this young major will greatly increase the influence of Maj Gen Chatchai within the party.

There will be further bargaining between the government and the TNP since Gen Prem and Maj Gen Chatchai have very close relations and both are calvarymen.

#### Subordinate of Mana

When the TNP announced that Maj Thoetrut Bunyarut would be the party's candidate in this by-election, few people knew who he was or where he came from. People wondered why the TNP had selected a "no-name" as the party candidate. However, looking at the background of this major, he is a capable person.

Maj Thoetrut Bunyarut is from Korat. He was born on 5 November 1955. He completed Grade 4 from the Sisalaloeng School. He completed secondary school from the Chunhawan Withaya Nuson School. He received his vocational certificate from the Nakhon Ratchasima Technical School.

After that, he joined the military and took many courses. For example, he attended the public relations seminar, Class 1, the political instructors' course, Class 7, the course for company-grade infantry officers, Class 64, which he took in 1982, and the course for field-grade infantry officers, Class 42, which he took in 1984. He has served as an expert with the Internal Security Operations Command, a political officer with Tactical Control Team 03 in Na Kae District, Nakhon Phanom Province, the head of the payops team of CPM [civil-police-military unit] No 22 in Na Kae District and the assistant political officer of CPM Unit 22.

In 1982, he served as the assistant political officer of Tactical Control Unit 34 in Don Tan District, Mukdahan Province. In 1983, he was transferred to the Army Operations Center, where he worked in the Office of the Assistant Army Chief of Staff for Civil Affairs (then Lt Gen Mana Rattanakoset). Until he resigned his commission to play politics, he worked very closely with Gen Mana Rattanakoset. He is a good speaker. Also, he is very patient.

Interview With Maj Thoetrut Bunyarut, the New MP from Nakhon Ratchasima Province

The by-election in Nakhon Ratchasima Province was rather dull and turned out as had been expected. The TNP candidate, Maj Thoetrut Bunyarut, won easily. He is the newest MP in parliament. Maj Thoetrut granted an official interview to LAK THAI after the election. He spoke about the problems of the people which he, as their representative, must try to solve.

[Question] What campaign method did you use to win?

[Answer] Nakhon Ratchasima is a large province with 20 districts and 2 branch districts, but there was little time for campaigning. We felt that the first thing that we had to do was to meet with people in the remote areas. Speaking tactically, we "used the villages to encircle the cities." Thus, after I became a candidate, I immediately began campaigning. I started in the more remote districts. Only in the last 3 days of the campaign did I campaign in the Muang District.

Because there was so much to do in such a short period of time, we tried to meet with local leaders. We felt that the people have great respect for three types of people: 1. monks, 2. village headmen and kamnans, or local leaders and 3. teachers.

I tried to meet with monks. In Korat, I have played an important part in helping with merit-making activities. I have served as a spokesman for various temple activities. For this reason, many Buddhists here have confidence in me.

The party has nine MPs from this province. All of these people tried to talk to the people on my behalf. This was another thing that helped me gain the trust of the people.

[Question] Some people have said that money was distributed. Did the TNP engage in this?

[Answer] As for the charge that the TNP distributed money to the people, that is simply not true. Our campaign method was to inform the people of our political policies and ideals. We told them that one of the main elements of democracy is to elect representatives to work for them in parliament. It is important that they exercise their right to vote. I constantly told the people that they must exercise this right freely and not worry about anything. Also, this is a very large province and so I am sure that votes were not purchased. However, money was spent on advertisements and gasoline. Those are normal expenses.

This was an expression of public opinion. More than 200,000 people exercised their right to vote. And I was elected to serve as their representative in parliament.

[Question] How much did you spend on this election?



[Answer] Most of the money was spent on printing posters and on gasoline. I can't tell you exactly how much was spent. We had to stay within the limit set by law, that is, 350,000 baht. But that is almost impossible since the province is so large. I think that this law should be revised. I think that it will be revised very soon.

[Question] As the new MP from Nakhon Ratvhasima Province, would you summarize the problems of this province and the ways to solve the problems?

[Answer] Korat has many problems since it is the second most populous province after Bangkok Metropolitan. I learned what the problems were when I was campaigning. In the cities, the most important problem is the economy. Goods are much more expensive than before. At the same time, incomes are low. This is very worrisome. The financial problems are important. Merchants have borrowed large sums of money from the banks in order to invest in businesses. At present, they are experiencing problems and are almost bankrupt. This is a crisis. Checks are bouncing. The financial problems are very serious in the cities.

In the rural areas, most of the people are farmers. But Korat is a province that suffers from drought since it is situated on a plateau. Besides growing rice, most people also grow cassava. They suffer from the lack of water since they have to rely on the rains. The few small-scale irrigation projects are insufficient. Some places cannot grow crops. People in those areas have to hire themselves out. Many people have gone abroad to work. Many have come to Bangkok Metropolitan to find work. The lack of water is a problem that must be solved. I think that it can be solved, but it will take time.

In short, the economic problems are the important problems. There is the "Korat Development" plan. There will be all types of development, including human development and rural area development. Today, things are far from perfect. In the rural areas, the roads are terrible. During my 30 days of campaigning, I went to almost every subdistrict. The roads are in very bad shape. Another important problem that they told me about was that prices for their agricultural products, including cassava and corn, are very low. Merchants have put pressure on prices. Instead of the farmers setting prices for their products, it is the merchants who set the prices. This has caused problems for the farmers. They can't refuse to sell their products. They have taken loans that have to be repaid.

In some places, the people don't have enough to eat. I visited Sida and Nong Bualai subdistricts in Bua Yai District. People there are experiencing severe problems. They earn very little. They are very poor. Children are suffering from malnutrition. The schools have to ask for donations to help feed the students lunch. This is very sad. No one knows how these children can grow and develop properly since their parents are so poor. And when they finish school, there is no work for them. Even if they graduate from the university, there is no work for them.

Because of this, when children here complete primary school, they do not continue on to secondary school. Their parents tell them that there is no



reason to continue on in school. Even if they do so, they won't be able to find a job. This is an important problem.

I think that we must quickly inform the government about the economic problems so that action can be taken to solve the problems. At the very least, the prices of agricultural products must be guaranteed to ensure the producers of a profit. The guaranteed price of corn is 2.50 baht. We have to ensure that the producers are actually paid that amount. It can't be just talk. The villagers are experiencing great problems. They told me that they don't want to be rich. They just want a comfortable life.

[Question] What can you do to help?

[Answer] In principle, MPs are responsible for learning what the problems of the people are and informing the government. If the government acts responsibly toward the majority of the people and is sincere about solving the problems, I think that the problems can be solved. But at present, we are stuck at many points, which everyone knows about. Today, the TNP is an opposition party. We must do our duty as best we can in order to get the government to see the real problems. We can't let people deceive themselves or let them "draw their own picture." I think that there are many knowledgeable and capable people in the government. But they have not done anything that benefits the people. I will do everything I can to present data to the government.

[Question] Since you are now a member of the opposition, would you comment on the present government?

[Answer] The present government has failed totally in its efforts to solve the economic problems. The people are growing poorer and poorer. They have a great problem just feeding themselves. The incomes of laborers and civil servants are insufficient. Because of this, the ideal of working for the common good is disappearing.

Thus, the first thing that the government must do is solve the economic problems. The standard of living must be improved. As for what should be done to solve these problems, I think that the government knows what must be done, but it has not taken action. It has just preserved the interests of a minority. Thus, the benefits have not reached the majority in the country. The principle element in solving the problems must be politics. If sovereignty really belongs to the masses, it will not be difficult to solve the economic and social problems if the interests of the majority in the country are served. But today, things are not like that.

[Question] As a person who has engaged in mass activities in order to fight the communists based on Policy 66/1980, do you think that the government's inability to solve the economic problems has resulted in the people becoming even poorer? Will this result in the people turning to the communists again?

[Answer] Definitely. Poverty is a serious problem that could lead to a complete reversal of the situation. If we fail to solve the problems and if

there is a gap between the classes and many people are starving, this will definitely give rise to a security problem.

If the government can solve the economic problems, we will be able to preserve national security. I am a soldier and so I am very concerned about this.

[Question] Let's talk about the TNP a little. Many people say that the TNP is not an effective opposition party. As a new MP of this party, what is your view?

[Answer] I think that the TNP is an effective opposition party. In particular, Maj Gen Praman is an effective speaker. He understands the problems. He has constantly tried to bring the problems to the attention of the government. He has protested about the lack of fairness. He has the knowledge and capabilities to serve as an opposition leader in the interests of the people.

But our party has only 108 votes in parliament while the government has 216. Whenever we propose something, our proposal is defeated. But if the government is sincere about taking action on matters brought to its attention by the opposition parties in order to solve the problems, that is, if it keeps an open mind, I definitely think that the problems can be solved.

[Question] As a member of the opposition, what role will you play in parliament?

[Answer] On 30 August, there will be a party meeting. I have to see what the party's policy line will be. But the main thing is that we have to solve the problems of the people. That is our main policy. As for political activities. I think that attention has to be given to the stability of the government. Because if the government is unstable, people will lose confidence in it. We have to recognize that our economy is now in great trouble. We are in great debt. We have little time left. I will try to inform the government about the problems of the people. This is something that our party is doing now. But the government has not shown any interest.

[Question] Are you prepared to have a no-confidence debate on the government?

[Answer] Yes. That is my intention. If the opportunity presents itself, we must call for a debate since the people are experiencing so many problems.

11943

CSO: 4207/300

THAILAND

FAMILY FEUD, THAI NATION PARTY PROBLEMS SAID TO BE LINKED

Bangkok WIWAT in Thai 10-16 Sep 85 pp 16-18

[Article: "The Thai Nation Party, a 'Coup' That Failed"]

[Text] The present trouble within the Thai Nation Party began when a group of TNP MPs in the camp of Maj Gen Chatchai Chunhawan, the deputy party leader, launched an operation to seek the support of party MPs in order to improve the party's structure. It was easy to see that the real intention of this proposal was to make Maj Gen Chatchai Chunhawan the party leader and to force the present party leader, Maj Gen Praman Adireksan, to accept the newly created position of "party chairman."

Two of the MPs who announced their intention of improving the party's structure and who worked hard to gain support for this were Dr Phaithun Khruakao Na Lamphun, an MP from Lambang, and Mr Soemsak Kanrun, an MP from Rayong. On the day that they sought support, that is, on 29 August, Maj Gen Chatchai Chunhawan went to parliament. Normally, he very rarely goes to parliament.

However, when the petition to improve the party's structure was submitted at the party meeting on 30 August, Mr Banhan Silapa-acha, the party secretary, and Maj Gen Chatchai Chunhawan refused to discuss the petition.

"We must wait until the party leader returns from Japan," said Mr Banhan to reporters after the meeting. That day, Dr Phaithun Khruakao and Mr Withaya Thienthong, an MP from Prachinburi, almost came to blows when Mr Withaya challenged Dr Phaithun.

After that meeting, Maj Gen Chatchai told reporters that the TNP belongs to all the MPs and not just to him or to Mr Banhan or Maj Gen Praman. However, the situation in the country is changing very rapidly. It is essential that preparations be made. "But before we make any changes, we have to wait until the party leader returns. As for whether these changes will result in personnel changes within the party, that depends on a party resolution."

A news report has informed ATHIT-WIWAT that at the meeting at which one faction tried to get approval for improving the party, Lt Gen Chan Angsuchoti, an MP from Kanchanaburi who detests the young turks in the party, got up to

read this petition, or motion. But a large number of MPs protested and charged that the group that was trying to force passage of this motion had impure motives.

A TNP news source revealed that after support was sought on 29 August, the MPs who support Maj Gen Chatchai held a meeting. This was when Lady Charoen Adireksan, the wife of Maj Gen Praman Adireksan and the sister of Maj Gen Chatchai, telephoned and asked why Maj Gen Chatchai was doing this. The response was to the effect that "because the time has come." This greatly angered Lady Charoen.

It is widely known that an attempt to change the structure of the TNP was made once before in 1983. At a party seminar at Cha-am, Police Lt Gen Sup Phongsuwan, an MP from Sinburi, who played a part this time, too, proposed revising the party constitution in order to create the position of party chairman. But that time, the party executive committee, particularly Mr Arun Saengsawangwattana, who was close to Maj Gen Praman, disagreed and so nothing came of this. But this "bomb" is still buried deeply within the TNP. At the same time, during the past period, this opposition party, which holds 108 seats in parliament, has had many other problems that have had to be solved first. For example, it has had to carry out its duties as the opposition party and settle the matter concerning Col Phon Roengprasoetwit. And so it has not had a chance to do anything about this other matter.

"The time that Maj Gen Praman and party young turks, such as Mr Pongphon Adireksan, Mr Piyanat Watraphon and Mr Chaowarin Latthasaksiri, took a trip abroad seemed to be a very favorable time to take action or at least to get the party to approve this motion. But things did not turn out that way," said the TNP news source. He also said that the mistake made by the Chatchai faction was to seek support openly and not conceal its efforts to force Maj Gen Praman out of his position as party leader. If the Chatchai faction had just given people a chance to respond, things would have turned out better. Thus, the effort to stage a "coup" while the other faction was out of the country failed. It will probably be a long time before another such opportunity presents itself.

However, political observers who have followed the TNP have said that there is still a chance that Maj Gen Praman will leave his position as party leader. But that will probably be up to him to decide. An MP in the Banhan faction revealed that Maj Gen Praman wants to leave this position so that Maj Gen Chatchai can take his place. He plans to do this in the near future. The main reasons are age and lack of sufficient funds, which is not a problem for the "Chunhawan" family.

As for the struggle over the structure and personnel of the TNP, while there may have been some "political interference" by the government faction, which does not get along very well with the TNP under the leadership of Maj Gen Praman, who is supported by the young turks, or young MPs, in the party, this was not an important factor or cause. The important cause was "people" and interests within the party.

Maj Gen Praman Adireksan, who is the brother-in-law of Maj Gen Chatchai Chunhawan but who is considered to be just an "in-law" of the Chunhawan family, and Maj Gen Chatchai, the male heir of the Chunhawan family who founded this party, will probably clear up this matter. But before they do, it seems certain that another split will occur within the TNP even though this latest "bomb" was a dud.

11943

CSO: 4207/304



THAILAND

CHAWALIT VIEWS ON MILITARY INVOLVEMENT IN POLITICS, ECONOMY

Bangkok CHAT ATHIPATAI in Thai 7-13 Sep 85 pp 16, 17

[Article: "Views of Lt Gen Chawalit Yongchaiyut"]

[Text] Views On the Military

Lt Gen Chawalit told public relations officials in Hat Yai District, Songkhla Province, that the military and the state are inseparable. The military is responsible for protecting and maintaining the state. The military is a very important state organization. If the military collapses, the state will collapse. Past changes in the state resulted because the military supporting that state had collapsed.

Many people may wonder why the military gets involved in politics. At present, there are many people and organizations who mistakenly think that the military has created the administrative system. Thus, they are trying to end the involvement of the military. But this idea is wrong. Because at present, the military and the civilian sector are cooperating in the political struggle. But the present struggle is an ideological struggle, and it is not limited just to two groups. There are three groups: those who favor dictatorship, those who favor democracy and those who favor socialism or communism. Thus, political changes in Thailand are much more complex than those in France, England or the United States.

During this period of change, the military plays a very important role on the political front. Every soldier in the military believes this. But this does not mean that the military must govern the country all the time. The military must stop playing this role as soon as possible after the period of change has come to an end. What can be done to ensure that this period of change is as short as possible? What can be done to turn our country into a perfect democracy with the king at the head? That is the target of the military today. It is constantly trying to hit that target. Everything that the military does is done with that in mind. At the same time, it wants other people to understand the military's role in politics in this way.

The military wants this period of change to come to an end. It wants the country to be a perfect democracy with the king at the head. Gen Athit Kamlangek, the RTA CINC and supreme commander has clearly stated that this is

the military's wish. The military is implementing a policy based on Prime Ministerial orders 66/1980 and 65/1982. This is a democratic policy. This is not just an anti-communist policy. It is a policy for opposing everything that is incorrect in the country. The military wants the country to be a perfect democracy with the king at the head. The army's intentions and my intentions are expressed clearly in these orders. This includes increasing the rights and freedoms of the masses and the sovereign powers of the people.

This is the most important duty of the military. Based on the reality of the present situation, what direction will the country take in the future? Will it prosper or decline? These things depend on the country's organizations, among which the military is the activist.

#### Views on Political Security

In CHITWITHAYA KHWAMMANKHONG, Lt Gen Chawalit stated that "in countries that have a perfect form of democracy, the role of the military is to protect and maintain the independence and sovereignty of the country. That is, it is responsible for keeping the country from falling under the power, that is, the political or administrative power, of another country. Maintaining the sovereignty of the country refers to keeping supreme power in governing the country in the hands of the people. Besides this, soldiers play a fundamental political role just like people in general. For example, they have the right to vote and to join political parties. In short, soldiers have a role to play in maintaining political security. Their duty is to maintain the country's democratic system, although they must stay within definite limits.

In an underdeveloped or developing country in which the political system still uses a dictatorial system or imperfect form of democracy, the military plays a major role in maintaining political security in the country, regardless of whether that is proper or not. An improper role is one in which the military maintains a dictatorial system of government. A correct role is one in which the military builds political security and helps turn the country into a developed country.

Thailand is one of the developing countries. We do not yet have a perfect democracy. The nation's political system has problems and this has affected and created problems for the socioeconomic system. Terrorism and the revolutionary war being waged by the Communist Party of Thailand pose a great threat to national security. These are urgent problems that must be solved as quickly as possible.

Thus, our anti-communist policy, which is based on Prime Ministerial Order 66/1980, is not aimed just at defeating the communists. The policy is being used to combat all the nation's problems, including the political, economic and social problems. These are the basic problems that have led to the rise of the communists. Thus, the military is responsible for carrying out a variety of duties based on this policy and order. It has succeeded in putting a stop to the CPT's revolutionary war. However, the struggle to deliver the communists a final decisive blow continues.

At present, the military must help build and protect democracy based on the maxim "communists defeat the dictators, democracy defeats the communists." Thus, the military must continue to carry out its important duties for the security of the nation, religion and monarchy.

#### Views on the Economy

Lt Gen Chawalit did not say too much about solving the economic problems. He feels that of the two types of problems facing the country today, that is, the political and economic problems, it is the political problems that are the leading problems. Unless the political problems are solved, it will be very difficult to solve the economic problems. If sovereignty does not belong to the majority of the people, interests will not go to the majority.

The economic system is essential. It is of great importance to a country. However, the economic system will falter if the political system is not correct. For this reason, we must become involved in politics. We must make the best of a bad situation in which many people fail to understand that we are trying to solve the political problems and turn the country into a democracy.

As for Thailand's economic problems, many financial centers are being brought together. But the capital is being mobilized for the benefit of the majority of the people. This is an economic system that has been improved and developed. This mobilization of capital is proper, not improper.

However, the military must intervene in this. For example, if the government cannot sell rice, the military can help sell the rice. We can get involved even though this is not our duty.

As for a national-level economic offensive, Lt Gen Chawalit wrote in Order 66/1980 that the military must give more weight to local development in order to support the policy of eliminating poverty and bringing happiness to the people so that the people realize that this is their country and that they must help defend it. The people must participate in administering the country and they must share in the benefits. This will lead to developing the administrative system in a democracy with the king at the head.

11943

CSO: 4207/304

WESTERN SAMOA

TOUR OF MURUROA ATOM SITE REJECTED

Auckland THE NEW ZEALAND HERALD in English 17 Sep 85 p 1

[Text] The Prime Minister of Western Samoa, Tofilau Eti, yesterday rejected the French invitation for leaders of the 14-nation South Pacific Forum to visit the Mururoa Atoll nuclear test site.

Tofilau Eti said through a spokesman that the invitation showed a continuing misunderstanding by France of South Pacific objections to the testing programme.

"The people of the region know that in its natural state the [South Pacific] area is safe.

"We want it left in that form and no amount of scientific evidence will change the fact that nuclear tests, wherever they have been held, have been shown to be harmful to the environment."

Sinister

He said the weekend visit to Mururoa by President Mitterrand showed an arrogant disregard for those nations closest to the test site.

In a reference to the sinking of the Rainbow Warrior, he said the continuing test programme was "creating unrest and giving rise to other sinister activities unknown to the South Pacific except in time of war."

And in Fiji the French Government came under attack in newspaper editorials yesterday for testing nuclear bombs at Mururoa.

The FIJI SUN called the French leaders "arrogant."

It called President Mitterrand's weekend visit to Mururoa provocative and said it served little to improve France's drooping popularity in the Pacific.

The FIJI TIMES questioned the meaning of the President's statement that France regarded as an adversary anyone who opposed its nuclear tests.

The TIMES said: "That will put almost every South Pacific nation on its 'adversary' list, because no country in the region condones the test."--NZPA

CSO: 4200/88

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

ANS OPERATION IN SIEM REAP, KPNLF SLOW-DOWN NOTED

Bangkok BANGKOK POST in English 26 Sep 85 p 4

[Article by Jacques Bekaert]

[Excerpt]

ON AUGUST 2, a sabotage team from the National Sihanoukist (ANS) army blew up an ammunition depot in the city of Siem Reap. Several days later, on August 10, they also destroyed a building located in a Vietnamese military compound. But it took almost a month before we learned about it, and almost four weeks for members of the team to return to the border and report to their ANS commander.

Since the last Vietnamese dry season offensive, the face of the war in Kampuchea has changed. Perhaps not so much for the Vietnamese, the Kampucheans or anyone directly involved in the fighting but certainly for correspondents trying to report the seven-year-old conflict.

It was previously relatively easy to go to one of the big border camps, talk to representatives of the nationalist military establishment, take a few steps into Kampuchea and, once back home, check everything with whatever the other side was prepared to say. Usually, there wasn't much to it because in the early years of the war Hanoi and Phnom Penh would mostly deny there was any serious problems with the "bandits."

The fall of the major camps, especially Ampil and Tatum, has changed the rules of the game. The Khmer Rouge remain as elusive as ever, with the almost daily military bulletins practically the only source of information, correct or not.

But the war is going on and by now every side seems ready to admit the reality of the combat, busily claiming victories and successes.

The ANS last exploits are interesting because they reveal a certain amount of complicity between the nationalists, the soldiers and the officials from the (in theory) pro-Vietnamese People's Republic of Kampuchea (PRK).

□ □ □

Twelve men, trained in sabotage and demolition, went to Siem Reap with the automatic charges. Once near the city they made contact with agents planted there three or four years ago. The latter, in turn, put the team in touch with soldiers from the PRK and local civilian officials from the Heng Samrin regime.

On August 2, a charge exploded in the former college of Siem Reap, which was transformed into a PRK armed forces ammunition depot a few years ago.

The ANS claimed four soldiers died in the explosion, including the commander of security of the camp. At least 27 people were reported wounded although there has been no independent confirmation of this.

A week later, on August 10, the same team with renewed assistance from local contacts and including members of the PRK armed forces, managed to plant automatic bombs in a building situated in a compound of a Vietnamese army transport unit (Unit QA 49, according to ANS sources). The compound is located in the centre of Siem Reap, facing the conference hall. Apparently, the bomb went off during a reception and



the nationalists said that 30 Vietnamese were killed in the explosion. Among the dead were three senior officers. Their bodies were repatriated to Hanoi two days later by a C47.

One of the Sihanoukist agents was arrested following the second explosion. He was spotted at a check point in the city and was carrying a charge of "plastic" in his bag. The arrest took place at 9 a.m. and the 27-year-old man was shot at 12 noon on the same day. The man had been secretly working in Siem Reap since 1982.

"Such sabotage would have been completely impossible if we did not receive the support of the soldiers and civilians from the PRK," Prince Norodom Ranariddh told us.

Indeed, the sabotage team did not conduct the final part of the operation on its own. It was the "contact" in Siem Reap who entered the military compounds and placed the charges.

□ □ □

Siem Reap has a special significance. It is the headquarters of some VN troops. It is also in Siem Reap that the main medical facilities of the People's Army of Vietnam are located. The city is close to the famous Angkor Wat, a symbol of national pride, used by every regime in Kampuchea since the Forties.

According to someone recently from Siem Reap city, anti-Vietnamese pamphlets, probably printed by the Sihanoukist group, were spotted on August 5. New graffiti were also seen on the walls of some towns in western Kampuchea, they carried the Khmer initials of the name of Norodom Sihanouk.

Most of the military and propaganda activities of the ANS are the

work of the 3rd and the 5th brigades, as well as special regiments 401 and 402.

Observers have been more sceptical towards recent operation claims made by the other nationalist organisation, the Khmer People's National Liberation Front. The KPNLF was deeply affected by the loss of its border camps, and the group was marred by serious personality clashes which threatened the future efficiency of the group. Some nationalist elements have been spotted in Battambang province. A few bridges have been blown but in general the KPNLF has taken a low profile, probably out of necessity. At this point, it is difficult to know who is exactly in charge of what and talks about a joint command uniting the two nationalist organisations are practically at a stand still. A real military cooperation between the ANS and the KPNLF is apparently still very much an abstract concept.

Recently, the KPNLF radio proclaimed that in August some of its troops had attacked a Vietnamese position 10 kilometres from Phnom Penh. Independent observers have no confirmation of this and are rather sceptical. They pointed out that no details had been given, no location. The same radio said that since early September its troops had clashed with the Vietnamese 44 times. As a result, 14 Vietnamese soldiers were said to have died and 17 wounded.

Communiques from the National Army of Kampuchea (NADK) are usually treated with caution. Most of Khmer Rouge figures are inflated and "victories" quite often grossly exaggerated. But the communiques have proved more than often to be reliable when it comes to location and scene of action.

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

SPONSORSHIP OF KPNLF GUERRILLAS

Bangkok BANGKOK POST in English 27 Sep 85 p 1

[Text]

A 'Sponsor-A-Guerrilla' programme to help Khmers fight Vietnamese troops has attracted more than 300 worldwide donors and enough money to finance a regiment, it was revealed yesterday.

The programme, operated by the Khmer People's National Liberation Front (KPNLF), began in early August last year. It is the only fund of its kind in the history of armed forces, according to the Khmer resistance group.

With a \$US40 payment, any individual or group may sponsor a needy male or female guerrilla chosen by the KPNLF. The money is used to buy non-military equipment, including uniforms, shoes, socks, underwear and a knapsack.

Up to September, the programme had received 997 applica-

tions for sponsorship and the participation of 339 people throughout the world, 236 Khmers and 103 non-Khmers, a KPNLF report said, quoted by UPI.

A total of 988 KPNLF guerrillas — equal to a regiment — have benefitted from the sponsorships, which have reached \$US 15,816, said the report.

The sponsor receives a letter of thanks from the sponsored guerrilla, a photograph of the combatant wearing clothes the payment has provided and "more important of all," says the KPNLF, "satisfaction at having contributed directly to the liberation of the Khmer homeland from Vietnamese occupation and colonisation."

CSO: 4200/84

PEOPLE'S REPUBLIC OF KAMPUCHEA

UNION OFFICIAL MOURNS DEATH OF SRV COUNTERPART

BK100922 Phnom Penh SPK in French 0443 GMT 10 Oct 85

[Text] Phnom Penh, 10 Oct (SPK)--Upon learning of the death of Nguyen Duc Thuan, member of the CPV Central Committee and chairman of Vietnam's Federation of Trade Unions (VFTU), Mat Ly, member of the KPRP Central Committee and chairman of the Kampuchean Federation of Trade Unions sent the VFTU a message of condolence. The message, addressed to Pham The Duyet, vice chairman and secretary general of the VFTU, said: "We would like to share the grief and express our boundless regrets to you, to the VFTU, and to the working class and people of Vietnam as well as to the family of the deceased."

The message called Nguyen Duc Thuan a courageous socialist militant who, during his life worked body and soul for the cause of the Vietnamese working class and the federation of trade unions as well as for the world's working class and trade unions."

The noble contributions made by the deceased to the consolidation of internationalist solidarity, first of all with Cambodia's working class and trade unions, are considerable and will remain forever engraved in our hearts, stressed the message, which concluded:

"We are determined to follow his noble example and do our utmost to further strengthen the bonds of special solidarity and cooperation between our two countries."

CSO: 4219/5

PEOPLE'S REPUBLIC OF KAMPUCHEA

CHEA SIM INTERVIEWED ON REVOLUTION'S ACHIEVEMENTS

BK100844 Phnom Penh SPK in French 0403 GMT 10 Oct 85

[Text] Phnom Penh, 10 Oct (SPK)--After 7 years of relentless struggle and intensive labor, the Cambodian people have won brilliant victories in their national defense and reconstruction work and, as a result, the prestige of the PRK has not ceased to rise in the international arena. This was stated by Chea Sim, member of the KPRP Central Committee Political Bureau and chairman of the national assembly and of the KUFNCD National Council in a recent interview granted in connection with the upcoming fifth party congress and dedicated to discussing the achievements of the Cambodian revolution under the leadership of the KPRP, particularly since the fourth party congress. Chea Sim, also chairman of the fifth congress organizing committee, quoted some figures in support of his statement:

In the economic field, most outstanding is that within a short time Cambodia has managed to restore agricultural production, first of all food production. So far there are in Cambodia 100,000 solidarity production groups and this manpower has managed to plant about two-thirds of the pre-war rice area.

In the industrial field, 56 of the total of 60 factories and enterprises have been restored and production has met part of the needs of domestic consumers.

According to Chea Sim, Cambodia's revival can be seen even more clearly in the fields of education and public health. This year, 1.8 million students, including 50,000 kindergarten children, have been enrolled. On average, one in every four persons is going to school and of the more than 1 million adult illiterates registered after liberation, about 70 percent can now read and write. The health network has been extended to all villages and communes and the health of the workers has improved constantly.

In the military field, Chea Sim revealed that thanks to the disinterested and effective assistance of the Vietnamese armed forces and people, the KPRAF have won one victory after another. Particularly, during the 1984-85 dry season, they dismantled all the important bases of the enemy along the Cambodian-Thai border, thus dealing a very hard blow at the [words indistinct], and Sihanoukist forces.

All the above-mentioned victories, Chea Sim stressed, reflect the persistent vitality of the Cambodian nation and the irresistible advance of its revolutionary cause.

After reaffirming the Cambodian people's determination to preserve and continue to foster the Kampuchea-Vietnam-Laos special militant solidarity, according to him a vital factor in Cambodia's revolutionary cause, Chea Sim recalled the essential work of the 12th KPRP Central Committee plenum, including the preparations for the fifth national congress of the party to be held soon.

The days preceding the fifth party congress, Chea Sim went on, constitute an opportunity for each Cambodian to renew his ardor to greet this important event in our political life.

CSO: 4219/5



31 October 1985

## PEOPLE'S REPUBLIC OF KAMPUCHEA

## KPRAF SUCCESSES, THAI VIOLATIONS NOTED

BK111124 Phnom Penh Domestic Service in Cambodian 1200 GMT 10 Oct 85

[From the "Weekly Roundup of Salient Events" feature]

[Excerpt] After receiving promises of increased U.S. aid, the Thai reactionary rulers stepped up incessant military provocations against Cambodia's territorial integrity last week. Thailand sent aircraft to intrude 11 times into our airspace, 3 times more than during the previous week. The stepped-up Thai Air Force reconnaissance activities were conducted mainly over the important passes in the Cambodian-Thai border region in support of the cross-border infiltrations of the bandit groups of all stripes carrying ammunition and explosives to destroy communications lines and hamper the productive labor of our people.

Among the most noteworthy reconnaissance activities of the enemy during the past week were two that took place on 28 and 29 September respectively, during which Thai L-19's savagely strafed the areas west and northwest of Smat Deng. During the same period, Thai artillery fired several barrages on various of our positions along the border, causing extensive damage to the property and living quarters of our people. The reactionary Thai authorities must bear full responsibility for helping the reactionaries perpetrate crimes against the Cambodian people.

In emulating to create outstanding feats of arms in anticipation of the fifth party congress, our revolutionary armed units conducted sweeping operations against the bandits before they could sneak in to harm our people. During the 35 [words indistinct] operations both along the border and in remote regions inside the country, the Vietnamese Army volunteers and our forces put out of action 362 enemy soldiers, including 52 who were killed, 12 who were wounded, and 106 who surrendered [all figures as received], and seized 41 assorted weapons. Moreover, our armed forces conducted a series of independent operations, killing 14 enemy soldiers and seizing 21 assorted weapons.

CSO: 4212/10

PEOPLE'S REPUBLIC OF KAMPUCHEA

HENG SAMRIN RECEIVES CUBAN ENVOY'S CREDENTIALS

BK111212 Phnom Penh SPK in French 0430 GMT 11 Oct 85

[Text] Phnom Penh, 11 Oct (SPK)--Viriato Mora Iaz, ambassador extraordinary and plenipotentiary of the Republic of Cuba to the RK, presented his credentials to Chairman of the PRK Council of State Heng Samrin in Phnom Penh on Thursday [10 October].

After presenting him the compliments of Fidel Castro, first secretary of the Communist Party of Cuba Central Committee and chairman of the Council of State and Council of Ministers, the Cuban ambassador expressed satisfaction with the development taking place in all sectors in the PRK under the just leadership of the KPRP.

The Cuban party, government, and people firmly support the just revolutionary cause of the Cambodian people, stressed the Cuban diplomat who finally expressed best wishes to the Cambodian leader and wished a good success to the Fifth KPRP Congress.

On his part, Chairman Heng Samrin highly appreciated the achievements of the Cuban people and underlined that the PRK party, government, and people always stand by the side of the Cuban people in their struggle against U.S. imperialism.

Present on this occasion were Chan Ven, secretary general of the Council of State and vice chairman of the KUFNCD National Council, and Kong Korm, first deputy minister of foreign affairs.

CSO: 4219/5

PEOPLE'S REPUBLIC OF KAMPUCHEA

EDITORIAL MARKS FIFTH PARTY CONGRESS

BK121620 Phnom Penh Domestic Service in Cambodian 1300 GMT 12 Oct 85

[Station editorial: "Enthusiastically Acclaim the Fifth Party Congress of National Representatives"]

[Text] The fifth congress of the glorious KPRP will be held tomorrow in Phnom Penh. This party congress is an important political event marking the firm advance of the Cambodian revolution from the fourth party congress to the present.

Under the correct and clear-sighted leadership of the KPRP, our beloved Cambodian territory has many changes that we are proud of. The fourth party congress adopted correct policies aimed at defending and constructing the fatherland. The first step is to eliminate the scars of the suffering of the country and nation left over by the Pol Pot genocidal regime, which followed Mao. The restoration of the national economy; the stability of the people's life; and the duty to defend the fatherland against all tricks, maneuvers, and aggression of the enemy have been also our priority tasks.

During the past nearly 5 years, our people have successfully implemented all correct and clear-sighted resolutions of the fourth party congress. This has clearly shown that all lines on the political, military, economic, social, and cultural fields that were adopted conform to the reality of our country and nation and the desires of our people throughout the country. Beginning with the superiority and strength of the Cambodian revolution, which has steadily developed, the prestige of the PRK is soaring on the international scene. Facing the development of our Cambodian revolution, our enemies are shamefully and bitterly defeated, isolated, and weak. Furthermore, our enemies are divided, for they have many internal conflicts and they can never escape final defeat. The KPRP has influenced mass sentiment with every passing day. It is closer to the mass of the people. The people's confidence in the party has been steadily strengthened and developed. Through the concrete implementation, the KPRP has developed quickly in the political, ideological, and organizational fields. This is an important factor assuring that our country's revolution is advancing in the correct direction of the tendency in the epoch. Party membership has been increasing in villages, communes, factories, enterprises, schools, hospitals, and especially in the armed forces. The Fifth Party Congress of National Representatives will convene as the situation of our country has changed greatly and the strength and the capacity of our revolution have developed steadily.

This party congress will examine the political report of the party Central Committee and evaluate the situation from 7 January 1979 to present. Moreover, it will draw lessons and experiences and adopt the targets and common duties of our country's revolution. It will also adopt the tasks in the defense and development of the revolutionary gains, the economic and social tasks, foreign policy, and the tasks to build the party in the next few years. The party congress will examine the proposals of the party Central Committee and will add a number of points in the party's constitution in conformity with the new situation. The party congress will elect the party Central Committee, which is the highest leading organization of the party from one congress to another. The party Central Committee will elect the Political Bureau, the Secretariat, the Central Inspectorate Committee, the general secretary of the party, and the chairman of the Central Inspectorate Committee of the party. This represents the will and conscience of our Cambodian working class and people, ensuring the strength and energy of the leadership aimed at pushing forward the Cambodian revolution.

The 22 party chapters under the Central Committee examined in detail the important documents of the congress with high responsibility. Furthermore, they elected their representatives to attend the party congress. This is the first time since the founding of our party that this party's national congress will be attended by all representatives of various party chapters in the provinces and towns throughout the country as well as the representatives of all revolutionary activities. Model party members include workers, combatants, peasants, revolutionary [words indistinct] all nationalities of all ages, leading comrades at all levels and branches, and comrades who have struggled and participated directly in productions on the localities. This is an important political event, which shows that democracy has been developed in the party. Party members will use their intelligence and spirit to present their opinions to the congress.

Concurrently, there has been an emulation movement of the entire party, army, and people throughout the country from central level to the localities and from the plains to the mountains to create achievements marking the party congress. The significance and activities of the emulation movement have clearly shown the strong belief of our people in the party.

Moreover, this party congress has the honor of welcoming the delegations of fraternal parties from all continents of the world. The presence of the delegations of fraternal parties on this occasion is a strong encouragement to the revolutionary cause of our people.

Our entire party, armed forces, and people have paid strong attention to the congress of our glorious party with enthusiasm, confidence, and hope through the vigorous revolutionary activities. They also hope that this party congress achieves brilliant victories.

PEOPLE'S REPUBLIC OF KAMPUCHEA

PARTY DELEGATIONS VISIT EXHIBITION IN PHNOM PENH

BK130538 Phnom Penh Domestic Service in Cambodian 1300 GMT 12 Oct 85

[Text] After their arrival in the PRK, on the afternoon of 12 October, the delegations of fraternal parties visited the exhibition on revolutionary victories won under the KPRP leadership. The guests are the delegation of the Communist Party of Cuba led by Comrade Jose Ramon Valadera, member of the Secretariat of the Communist Party of Cuba Central Committee; the delegation of the PZPR [Polish United Workers Party] led by Comrade Albin Siwak, member of the PZPR Central Committee Politburo; the delegation of the MPRP led by Comrade Bluv Santerseren, member of the party Central Committee, member of the People's Great Hural, and chairman of the Mongolian Federation of Trade Unions Central Council; the delegation of the BCP [Bulgarian Communist Party] led by Comrade Peko Takov, member of the BCP Central Committee and deputy chairman of the State Council of the People's Republic of Bulgaria; the delegation of the MSZMP [Hungarian Socialist Workers Party] led by Comrade Mihaly Korom, member of the MSZMP Central Committee and chairman of the Constitutional Council of the Hungarian People's Republic; and the delegation of the FSLN [Sandinist National Liberation Front] led by Comrade Olga Aviles, member of the FSLN Central Committee.

On that occasion, the delegations highly valued and praised the Cambodian people's revolutionary achievements scored during the past almost 7 years under the correct and wise leadership of the KPRP.

Upon concluding their visit, the delegations of fraternal parties wrote their impression on the Cambodian revolutionary achievements and their revolutionary sentiments toward us in the visit book.

CSO: 4212/10



PEOPLE'S REPUBLIC OF KAMPUCHEA

LEADERS THANK PRK COUNTERPARTS FOR GREETINGS

BK090424 Phnom Penh Domestic Service in Cambodian 1300 GMT 8 Oct 85

[Text] Comrade Heng Samrin, general secretary of the KPRP Central Committee and chairman of the PRK Council of State; Comrade Chea Sim, chairman of the National Assembly; and Comrade Hun Sen, chairman of the Council of Ministers, have recently received a message of thanks from Comrade Le Duan, general secretary of the Communist Party of Vietnam Central Committee; Comrade Truong Chinh, chairman of the Council of State; Comrade Pham Van Dong, chairman of the Council of Ministers; and Comrade Nguyen Huu Tho, chairman of the National Assembly of the SRV. The message, among other things, says:

We would like to express sincere and profound thanks for the best wishes you sent us on the occasion of the 40th anniversary of the August Revolution and the 2 September National Day of the SRV. The participation of the PRK high-ranking delegation at our important National Day celebrations was a clear manifestation of the militant solidarity and great friendship between Vietnam and Cambodia. It was also a source of great encouragement for our people in building and defending the Vietnamese socialist fatherland. The Vietnamese people wholeheartedly pledge to strengthen the SRV-PRK relations and the SRV-PRK-LPDR militant solidarity for the benefit of each country's revolution and the cause of peace and stability in Southeast Asia and the world.

We wish happiness for the fraternal Cambodian people and hope they will intensify efforts to implement the resolutions of the Fourth KPRP National Congress and score new and greater victories in the cause of the valiant and courageous struggle to defend and firmly build the PRK in every field. We are convinced that the great relations of friendship, militant solidarity, and all-round cooperation between Vietnam and Cambodia, as well as among Vietnam, Cambodia, and Laos, will develop satisfactorily and steadily. We wish you good health and new successes in your noble tasks.

CSO: 4212/10

PEOPLE'S REPUBLIC OF KAMPUCHEA

BRIEFS

HUN SEN SYMPATHIZES WITH SRV VICTIMS--Comrade Hun Sen, chairman of the Council of Ministers of the PRK, recently sent a message of sympathy to Comrade Pham Van Dong, chairman of the Council of Ministers of the SRV, upon learning that the fraternal Vietnamese people in a number of provinces were suffering from storms and floods. The message stressed, among other things: On behalf of the people throughout the country and the PRK Council of Ministers, and in my own name, I would like to express my saddest condolences to and sympathy with the fraternal Vietnamese people and SRV government and, through the comrade chairman. I express sympathy with the families of the victims who suffered heavily from the devastating storms and floods. I firmly believe that under the enlightened and wise leadership of the SRV Government, the fraternal Vietnamese people will overcome all these nefarious disasters and will brave all obstacles to normalize their living conditions. [Text] [Phnom Penh Domestic Service in Cambodian 1300 GMT 15 Oct 85]

CSO: 4212/10

MILITARY AFFAIRS AND PUBLIC SECURITY

IMPLEMENTATION OF MILITARY OBLIGATION LAW REVIEWED

Hanoi LUAT HOC in Vietnamese Jan-Mar 85 pp 71-74

[Article by Phan Trung Hoai: "Some Ideas on the Implementation of Military Obligation Law in the Past 3 Years"; passages enclosed in slantlines printed in italics]

[Text] The Military Obligation Law has been implemented for 3 years ever since it was passed on 30 December 1981 by the Seventh Session of the National Assembly and promulgated on 10 January 1982 by the chairman of the Council of State.

The Military Obligation Law has been implemented at a time when our country is enjoying peace and simultaneously running the risk of war as stated in the resolution of the Fifth National Party Congress. Actual facts about the implementation of the Military Obligation Law in all localities across the country have clearly demonstrated the position and especially important scope of this law in the fatherland's construction and defense and also its role in developing the economy, strengthening national defense and improving the knowledge of the essential relationships between these two missions. Rich and vivid experiences were drawn at a conference convened to review the task of leading and educating the people and youth to fulfill the military obligation to defend the fatherland; the conference was organized by the Political General Department (Ministry of National Defense) and placed under the guidance of the party Central Committee Secretariat.

Within the scope of this article, we will address some major features of the state of implementing the Military Obligation Law over the past 3 years, deal with the remaining problems and their causes, and present some ideas about the application and execution of this law in the future.

I. Some Important Features of the State of Implementing the Military Obligation Law Over the Past 3 Years

A characteristic feature of the process of implementing the Military Obligation Law in the past 3 years is the fact that our state has paid attention to promulgating relevant legal documents to concretize the provisions and fundamental principles incorporated in the Military Obligation Law. This procedure has created favorable conditions for the organizational sector to ensure nationwide uniform execution and to overcome the failure to guide specific and timely implementation of previously enacted laws.

1. The most important result is the fact that ever since the promulgation of the Military Obligation Law, the building of national defense by the entire people under party leadership has been /further developed qualitatively by relying on a stable legal basis/. Almost all party committees at all echelons and the local administration have realized more clearly the reciprocity between these two missions and have considered guiding and educating the people and youth to perform the military obligation and defend the fatherland to be the /central task/ of all localities where calling up the youth for military service has become an outstanding achievement,<sup>2</sup> which is all the more significant as far as the southern provinces are concerned.

Another outcome is the fact that the activities of military obligation councils at all echelons have gradually been put on the right track. The political backgrounds of and cases of exemption and deferment for youths of military draft age have been submitted to these councils for examination and ratification according to the principle of collective examination and ratification and decision by majority vote; this working method has ensured development of the laborers' right to collective ownership and, at the same time, boosted the sense of responsibility and earnestness of the council members. Experience has demonstrated that military organs alone cannot perform youth induction without the effective support and active role of various committees, sectors, mass and social organizations among which the public security forces, public health sector, youth [union], women ['s federation] and [Vietnam Fatherland] front have played an outstanding role.

Because many localities have properly carried out propaganda and education about the Military Obligation Law under substantial, persuasive and intensive forms and because military organs and cadres directly in charge of troop recruitment have firmly adhered to provisions of the law, there have been reductions in the number of recruits rejected after the yearly recruit delivery, a scarcity of violations of the Military Obligation Law and a decrease in the number of people's complaints and litigations. While performing propaganda, education and motivation, many localities have adequately prepared for youth induction by performing registrations, compiling statistics to know their exact number, organizing physical examinations, ensuring that induction orders are issued 15 days in advance, and by officially publishing the lists of persons exempted from military obligation, granted deferment or not yet needed for military service so that the people may participate in supervision, contribute views, promptly discover irrationalities or complain about problems related to their own families. Party committees at all echelons and the local administration have attached special importance to the entire process beginning with the education and enlightenment of young people when they are still attending general schools and ending with their departure for induction, and have considered this process as the first basic step to replenish the army with outstanding youths imbued with revolutionary qualities and spirit.

2. While young people are serving in the army, the responsibility for organizing the implementation of the Military Obligation Law lies mainly with army units and their commanders. Thanks to the education, training and tests undergone while in the army, the ratio of party members among youths returning home after completing their military service has risen to 21.72 percent in the past 3 years.

While soldiers are serving in the army, recruit training units and centers have considered it important to carry out propaganda, education and training, to take care of the recruits' life and to form them into combatants endowed with political virtues, a high combat standard, good discipline and physical strength to meet combat requirements; an initial step has been taken to properly educate those about to leave the army, and to ensure that the relevant criteria and policies are applied. Many localities have adequately organized the reception of soldiers going home after completing their military service and have rationally assigned them to productive sectors to turn them into good laborers who will develop the army tradition in these new spheres of production and work. In addition, the building of a reserve has been initially developed with some results and has ensured harmonious development and building of both the regular army and the reserve in order to meet wartime mobilization requirements.

Some results of the implementation of the Military Obligation Law over the past 3 years have permitted us to confirm that /properly organizing the implementation of Military Obligation Law is contributing to building stable and strong localities, to increasing the combat strength of the army and to ensuring the successful performance of two strategic missions in the new revolutionary stage/.

3. However, some shortcomings and weaknesses still remain in the course of implementing the Military Obligation Law. In certain localities, propaganda and educational activities have not yet been carried out intensively, their forms are still simplistic and their persuasive power little; there is a lack of close coordination among public agencies, mass organizations and mass media according to the spirit of Directive No 315-CT of 7-17 [as published]-1982 of the chairman of the Council of Ministers. It must be noted that, in some localities, the provisions of many laws--especially Article 29 on induction deferment--have not yet been applied according to law, which has led to a too high exemption and deferment percentage and affected the assessment of forces and the preparations for the yearly induction of youths.

The action taken against violations of the Military Obligation Law still shows some shortcomings though very specific documents have been promulgated to guide the solution of this problem.<sup>3</sup>

## II. Some Ideas on the Application and Execution of Military Obligation Law in the Near Future

The gist of this task must be incorporated in the following /three stages/:

--Preparing and readying young people for joining the army and doing their military service in the army,

--Educating and training youths into good, combat-ready soldiers capable of performing combat activities and other missions; training them according to the socialist new man's criteria while they are in the army,



--Educating, organizing, employing and developing the force made up of demobilized soldiers returning to their localities to take part in productive labor and to continue to perform their military obligation in their capacity as reservists.

1. To do this task satisfactorily, it is necessary to understand thoroughly the mission indicated by the party in its Fifth Congress resolution, which is "to carry out intensive and extensive education to make the people and youth clearly understand the Military Obligation Law and to prepare and ready the young generation for joining the armed forces and using the army as a great school to train themselves into socialist new men."<sup>4</sup> /Propaganda and education must be considered to be the first step to implement the Military Obligation Law/. Instead of waiting until the youth induction time to carry out propaganda and education, it is necessary to perform these tasks immediately and continuously through the national defense education program from when young people are still attending general schools until they reach the military draft age, from the time registrations and physical examinations are organized to the induction time, and from the time these young people are serving in the army to the moment they return to their localities after fulfilling their obligation.

The assistance given by mass media in conjunction with other organizational forms of activity will constitute a /material factor/ for the propaganda and education about the Military Obligation Law.

## 2. Careful examination of exemption and deferment criteria

Realities about youth induction over the past 3 years have shown that wherever the list of persons exempted from military obligation and of those whose induction is deferred or considered not yet necessary is published officially and satisfactorily and wherever induction orders are issued exactly 15 days in advance to give enough time for the people and the youths' families to lodge complaints, to participate in supervising and controlling activities of the Military Obligation Council and to promptly expose negative and unjust practices of responsible persons, the mass movement in such localities will develop well and the laborers' right to collective ownership will surely be brought into play.

3. The joint Circular No 1054/YT-QP of 1 August 1983 of the Ministry of Public Health and Ministry of National Defense on /physical examinations and health criteria for implementation of the Military Obligation Law/ deals with many important questions about the physical examination of youths who have the political and ethical qualifications and are chosen for physical examination. Many southern cities and provinces have started implementing this circular only since the 1984 second induction phase and have, therefore, been unable to avoid shortcomings.

4. The organization of the implementation of the Military Obligation Law can be effective only if /violations of this law/ are dealt with appropriately. The promulgation of joint Circular No 1332/TT-LB of 8 September 1984 of the Supreme People's Court and the Ministry of Justice, Ministry of Interior and

Ministry of National Defense which indicates the action to be taken against violations of the Military Obligation Law is of great significance. Together with the completion of the draft section on Crimes of the Code of Criminal Law (containing provisions on crimes related to the implementation of the Military Obligation Law, such as Articles 203, 204 and 256), this circular will contribute to the strict and thorough implementation of the Military Obligation Law.

Circular No 1332/TT-LB of 8 September 1984 indicates specific measures to be taken against violations of the Military Obligation Law, including:

--/Close coordination of the military obligation with the obligation to perform labor/: The resolution of the Fifteenth [as published] National Party Congress stipulates that "it is necessary to closely coordinate the obligation to perform labor with the military obligation in order to step up economic construction and simultaneously to ensure that national defense is firmly strengthened."<sup>5</sup> To do this task well, beside taking administrative measures and criminal proceedings against violations of the Military Obligation Law, it is necessary to rationally organize those youths whose induction is deferred for reasons of health or deemed inadvisable because of infringements of political and ethical criteria and to send them to work in various sectors of national economy. Experiences drawn from some localities have shown the (socioeconomic) result of the sending of these young people to build new economic zones, work sites, state farms and forests or to join the assault youth forces; this move has been unanimously approved by public opinion and will actively boost the local revolutionary movement and further illustrate the equitability and strictness of the Military Obligation Law. Nevertheless, this issue is /closely related to the need/ for our state /to promulgate a law/ on labor obligation.

--Proceedings will be taken against the misuse of function and power to contravene provisions of the Military Obligation Law.

#### FOOTNOTES

1. It is possible to mention some important documents: Decision No 183/HĐBT of 2 November 1983 on registration for military service by women whose specialized and technical occupations are necessary to the army; Decree No 48/HĐBT of 16 May 1983 promulgating regulations on military obligation registration; Joint Circular No 1054/YT-QP of 1 August 1983 of the Ministries of Public Health and National Defense on physical examinations and health criteria for implementing the Military Obligation Law; Joint Circular No 1332/TT-CB of 8 September 1984 of the Supreme People's Court and the Ministry of Justice, Ministry of Interior and Ministry of National Defense containing guidelines for proceedings against violations of the Military Obligation Law.
2. From 1979 to date, throughout the country, there are 12 provinces which have fulfilled the recruit delivery norms for 5 years at a stretch. They are Quang Ninh, Cao Bang, Bac Thai, Vinh Phu, Hai Hung, Tahi Binh, Ha Nam Ninh, Ha Son Binh, Thanh Hoa, Nghe Tinh, Lam Dong, and Ben Tre.

3. Directive No 90/CT-TW of 30 April 1980 of the VCP Central Committee, Decision No 191/CP and Directive No 192/CP of 23 June 1980 of the Council of Ministers; Circulars No 25/TT-QP of 27 June 1980, 107C/TT-QP of 14 July 1982, and 207/TT-QP of 22 February 1982 of the Ministry of National Defense.
4. Documents of the Fifth National Party Congress, Su That Publishing House, Hanoi, Vol I, p 45.
5. Political report by the VCP Central Committee at the Fourth National Congress of Delegates, Su That Publishing House, Hanoi, 1977, p 59.

9332

CSO: 4209/636

INTERNATIONAL RELATIONS, TRADE AND AID

LEADERS GREET PDRY LEADERS ON NATIONAL DAY

OW141936 Hanoi VNA in English 1637 GMT 14 Oct 85

[Text] Hanoi, 14 Oct (VNA)--Vietnamese leaders have sent a joint message of greetings to their counterparts in the People's Democratic Republic of Yemen on the republic's 22nd national day.

The message was addressed by Le Duan, general secretary of the Communist Party of Vietnam Central Committee; Truong Chinh, president of the State Council; Pham Van Dong, chairman of the Council of Ministers; and Nguyen Huu Tho, chairman of the National Assembly; to 'Ali Nasir Muhammad, secretary general of the Yemen Socialist Party Central Committee and president of the Presidium of the Supreme People's Council and Abu Bakr al-'Attas, chairman of the Council of Ministers.

The message reads:

"The Vietnamese people greatly rejoice at the great achievements recorded by the PDRY people under the leadership of the Yemen Socialist Party led by Secretary General 'Ali Nasir Mohammad over the past 22 years and firmly believe that in the light of the 3d party congress resolutions the fraternal Yemen people will certainly gain still greater successes in defending their national independence and building a prosperous country.

"May the militant solidarity, friendship and cooperation between our two parties, two states and two peoples constantly consolidate and develop."

Also on this occasion, Foreign Minister Nguyen Co Thach also sent a message of greetings to PDRY counterpart, 'Abd al-'Aziz ad-Dali.

CSO: 4200/98

INTERNATIONAL RELATIONS, TRADE AND AID

SRV'S UN REPRESENTATIVE ON SELF-DETERMINATION

OW161409 Hanoi VNA in English 0740 GMT 16 Oct 85

[Text] Hanoi, 16 Oct (VNA)--"Over the past four decades, the world people have witnessed many great changes, especially the vigorous development of the national liberation movement through which hundreds of millions of oppressed people in Asia, Africa, the Middle East, Latin America and the Caribbean have stood up to overthrow the imperialist and colonialist domination and are advancing along the path of national independence and social progress."

So said Ms Nguyen Thi Binh, counselor of the Vietnam Permanent Mission to the UN at the third committee's Oct. 11 session.

She strongly condemned imperialism, colonialism, hegemonism, the apartheid and Zionism for trampling on sacred rights of nations including the rights to live in independence and freedom and to choose their own political and socioeconomic system. Ms Binh Thanh spoke of the increasingly stable situation in Kampuchea and great achievements obtained by the Kampuchean people over the past six years of revival. She rejected all the reactionary forces' distortions of the Kampuchean people's rebirth and pointed out that the Kampuchea people's right to self-determination is to live without the threat of genocidal regime.

The Vietnamese representative called upon the international community to continue supporting the Kampuchean people in their struggle against the Polpotists and to positively contribute to a political solution to problems in Southeast Asia, including the Kampuchean issue through dialogues among countries in the region without outside interference.

CSO: 4200/98



INTERNATIONAL RELATIONS, TRADE, AND AID

SRV DELEGATION ATTENDS CEMA AVIATION CONFERENCE

OW100959 Hanoi Domestic Service in Vietnamese 1100 GMT 9 Oct 85

[Text] The fifth conference on aviation in service of CEMA's national economies was held recently in (Olsen) City, Poland. Our country's delegation led by Comrade Do Huu Nghia, deputy head of the Vietnamese Civil Aviation General Department, attended the conference. The conference was part of large-scale scientific activities of the CEMA aviation sectors, designed to assess the economic efficiency and potential application of aviation in service of all sectors of economy, especially in the fields of agriculture, fisheries, geology, construction, and natural gas and oil extraction.

The Vietnamese delegation's reports on the results achieved in optimally using the aviation technique and equipment in service of geological surveys, land surveys, photography, zoning of natural resources, natural gas and oil prospecting, and so forth, were greatly appreciated by the participants. On the basis of the Vietnamese proposals, the participants decided on a number of specific measures to help Vietnam overcome difficulties, especially those in training pilots, technical personnel, and homogenous equipment.

CSO: 4209/35

INTERNATIONAL RELATIONS, TRADE AND AID

LAW OF SEA TERMINOLOGY EXPLAINED

Hanoi LUAT HOC in Vietnamese Jan-Mar 85 pp 75-76

[Article by N.V.L.: "Terminology in the Law of the Sea (According to the 1982 Convention)" [passages within slantlines in boldface or italics]

1. /Zone/--The capitalized word "Zone" is used in Section XI of the Convention.

This term is used to indicate the seabed and the earth below it which lie beyond national jurisdiction.

The /Zones/ and their resources (in the form of solids, liquids and gases and multimetallic modules--that is, those composed of many metals) are a common heritage devolved to the whole mankind and are open to all nations, whether they border on the sea or not, for use for peaceful purposes and for the benefit of the whole of mankind according to the principles of international law and the UN Charter, without discrimination in treatment and with special attention paid to the interests and needs of developing countries and those struggling for independence.

2. The /Organ of International Power on Seabed/ is an international organization founded on the principle of equal sovereignty of all member nations; its headquarters is in Jamaica and its activities are regulated by the current international Law of the Sea. Through the /Organ of Power/, the member nations organize and control activities in the /Zones/ in order to manage the mineral resources exploited from the seabed and the earth below it.

All member nations of the 1982 UN Convention on the Law of the Sea are ipso facto members of this /Organ of Power/.

The principal organs of the /Organ of Power/ include the main organs (General Council, Council and Secretariat), centers of zonal guidance organs, and auxiliary organs to be created when necessary.

3. The /Enterprise of the Organ of Power/ is an agency of the /Organ of Power/. It has the status of a juridical person and the duty directly to carry out various activities, such as exploration, exploitation, transportation of and trade in fish and minerals taken from the /Zones/.

The Organ of Power may sign contracts with all nations (and other entities) for mineral exploration and exploitation in the /Zones/.

4. /Open Sea/--The open sea includes all sea areas not lying within the exclusive economic zone, territorial sea or internal waters of any sea-bordering country, and also not lying within the archipelagic waters of any archipelagic country. However, many legal regulations on the open sea do not apply even to the exclusive economic zones of sea-bordering countries.

The open sea is open to all countries bordering on the sea or not. Regardless of their geographic positions, all nations enjoy freedom on the open sea (freedom of navigation and aviation; freedom to lay submarine cables and pipelines provided they comply with regulations in Section VI which deals with continental shelves--that is, provided the sea-bordering countries agree to the laying of these cables and pipelines on their continental shelves; and freedom to catch marine products, to build artificial islands and to carry out scientific research for peaceful purposes).

The catching of marine products, the building of artificial islands and the conduct of scientific research must comply with some regulations stipulated in the Convention.

5. /Closed and Semiclosed Sea/--It is a gulf, a bay or a sea area surrounded by many countries, connected to another sea or an ocean by a narrow estuary or made up completely or mainly of the territorial waters and exclusive economic zones of many countries.

Countries bordering on a closed or semiclosed sea need to cooperate in managing, preserving, exploring and exploiting marine resources and living things, in doing scientific research and in conserving the marine environment.

6. An /Island/ is a land which is naturally surrounded by sea waters and which still protrudes from the sea level when the tide is rising. A land which is naturally surrounded by sea waters but emerges at low tide and is submerged at high tide is called /marsh/. An island has its own territorial waters, a zone contiguous to its territorial waters, its exclusive economic zone and its continental shelf.

7. An /Archipelago/ is a group of islands including their components, the adjacent water areas and other natural components that are so closely related to each other as to create a geographically, economically, politically and historically uniform entity.

8. An /Archipelagic Country/ is one which is fully made up of one or many archipelagos and which may have other islands than the said single or multiple archipelagos.

According to the 1982 Convention on the Law of the Sea, the ratio of the water area in comparison with the land area of an archipelagic country, located on the archipelago base line drawn according to the convention, must be between 1/1 and 9/1.

9. /Pollution of the Sea Environment/ is man's direct or indirect introduction of materials or energy into the sea environment--an act which causes or may cause damage to living things and to the marine animal and vegetal kingdoms, which endangers human health, which hampers activities on the sea, which changes the use quality of sea water and which reduces the esthetic value of the sea.

All nations have the common duty to use appropriate means and to coordinate or separately take the necessary measures to prevent and limit pollution of the sea environment.

10. /Passage Harmless to Territorial Seas/--Ships and boats belonging to countries bordering on the sea do not have the right of harmless passage through territorial seas provided they comply with the Convention on the Law of the Sea and with the law of the sea-bordering countries.

/Passage/ means continuous and rapid navigation through territorial seas and along seashores and fixed routes without entering the internal waters or coming out from them. Stopping and anchoring during /passage/ are allowed only under circumstances specified by the law (normal navigation breakdown, stranding in circumstances beyond one's control or because of an accident or during an attempt to save people, ships and boats in distress).

A passage will be considered harmful if the ship or boat passing through a territorial sea does harm to the peace, order and security of the sea-bordering country (such as by carrying out armed training, collecting intelligence data, doing propaganda to the detriment of the national defense and security of the sea-bordering country, or launching, receiving or loading aviation and military equipment, and so on). The convention contains a list of acts and specifies the circumstances under which a passage will be considered harmful.

9332

CSO: 4209/636

INTERNATIONAL RELATIONS, TRADE AND AID

MINISTERIAL CIRCULAR ON IMPORT-EXPORT PERMITS

Hanoi NGOAI THUONG in Vietnamese 20 Jul 85 p 2

[Interministerial Circular No 62 TTLB/NgT-TCHQ on implementation of the merchandise import-export permit system issued 22 Jun 1985, the Ministry of Foreign Trade and the Customs General Department]

[Text] In pursuance of Decree No 128/HDBT of 30 April 1985 of the Council of Ministers specifying the state management to be exercised by the Ministry of Foreign Trade with regard to import-export activities and organization;

In pursuance of Decree No 139/HDBT of 20 October 1984 of the Council of Ministers defining the duties, competence and organization of the Customs General Department; and

In pursuance of the customs regulations enacted by the Council of Ministers in conjunction with Decree No 3/CP of 27 February 1960;

In order to clearly define the duties and competence of the Ministry of Foreign Trade versus those of the Customs General Department in implementing the merchandise import-export permit system, the Ministry of Foreign Trade and the Customs General Department are issuing the present interministerial circular for implementation by import-export organizations directly subordinate to various ministries and general departments, by people's committees in provinces, cities and special zones directly subordinate to the central level, and by the organizations and private individuals concerned.

I. Responsibility and Competence of the Ministry of Foreign Trade and the Customs General Department in Determining and Implementing the Merchandise Import-Export Permit System

1. Responsibilities

1.1--The Ministry of Foreign Affairs shall determine the issuance of import-export permits for:

--Goods and services of various kinds mentioned in Article 2 of Decree No 128/HDBT of 30 April 1985 of the Council of Ministers and in the list attached thereto, provided that they fall within the authorized business



scope of import-export organizations according to foreign trade contracts and in conformity with the state plan drawn by the central and local levels, by various sectors or by organizations authorized to directly carry out import-export transactions; included in these categories are export goods related to the import-export activities of the said organizations, such as samples and merchandise to be shown at fairs and exhibitions or used for advertisement;

--Various kinds of goods to be imported by using foreign currency derived from loans and aids, and

--Transit goods.

1.2--The Customs General Department shall determine the issuance of import-export permits for:

--Various kinds of goods and articles (including cultural products) of which the importation and exportation are not mentioned in the state plan at the central, local and sectorial levels, which belong to organizations authorized to directly carry out import-export transactions, to various agencies and mass organizations or to private individuals residing at home or abroad, and which are imported or exported under various forms--such as baggage, gifts, transferred property, supply goods, samples, advertisement products and exhibition goods sent to Vietnam from abroad, merchandise exchanged by people in border areas between Vietnam and foreign countries, and goods belonging to diplomatic representation agencies and international organizations stationed in Vietnam (formerly called noncommercial goods); and

--Goods destined for temporary importation and exportation, and merchandise transiting through Vietnam.

## 2. Competence

2.1--The Ministry of Foreign Trade shall promulgate formalities in applying for and issuing import-export permits, issue and manage these permits, and organize their issuance for the categories of goods stated in Provision 1 (1.1).

2.2--The Customs General Department shall promulgate formalities in applying for and issuing import-export permits, issue and manage these permits, organize their issuance for the categories of goods and products mentioned in Provision 1 (1.2), and formula to specific procedures to be followed in controlling and managing various import-export goods.

## II. Relationships Between the Ministry of Foreign Trade and the Customs General Department in Issuing Merchandise Import-Export Permits

1. When crossing the border gates for import or export, merchandise of all kinds shall be subjected to control and management by customs offices. Border customs offices will accept import-export formalities only for the goods mentioned in permits issued by the Ministry of Foreign Trade or the Customs General Department.

If the import-export goods are not accompanied by a permit, if the permit has not been issued by the competent authorities, if these goods do not tally with the permit or if the permit validity has expired, the border customs office shall forbid their importation or exportation, drawn up a report for further action and, at the same time, use the fastest possible means to immediately notify the Customs General Department.

2. If an import-export permit is to be used for many transactions, the border customs office shall certify each passage of goods simultaneously on three copies presented by the merchandise owner. When the permit validity has expired, the border customs office shall certify all the three permit copies and follow this procedure:

--One copy to be sent by the border customs office to the Customs General Department;

--One copy to be sent by the merchandise owner to the Ministry of Foreign Trade (which issued the permit); and

--One copy to be kept by the merchandise owner.

3. In case it finds it necessary to suspend immediately the use of an import-export permit it has issued, the Ministry of Foreign Trade shall notify the import-export organization concerned and, at the same time, inform the Customs General Department and so that the latter may direct the border customs office to carry out this order.

### III. Action To Be Taken Against Infringements

1. All merchandise import-export transactions effected without permits and all infringements of the import-export permit system will be dealt with according to the customs regulations and law in force.

2. The proceedings to be taken against merchandise import-export transactions without permits and against infringements of the import-export permit system will fall within the competence of the Customs General Department.

3. Each month the Customs General Department shall inform the Ministry of Foreign Trade of all cases of unauthorized import-export transactions, of violation of the permit system by import-export organizations at the central, local and sectorial levels, and also of the way these cases have been handled so as to enable the Ministry of Foreign Trade to take corrective measures in time.

### IV. Implementation Provisions

1. All regulations that were previously enacted by the Ministry of Foreign Trade and the Customs General Department on the merchandise import-export permit system and that run contrary to the present circular are hereby repealed.

2. The present circular will take effect from the signing date.

## PARTY ACTIVITIES AND GOVERNMENT

### NHAN DAN CALLS FOR MORE WORKERS AS PARTY MEMBERS

Hanoi NHAN DAN in Vietnamese 30 Aug 85 pp 1, 4

[Editorial: "Provide Elementary and Advanced Training to and Utilize Cadres Coming from the Working Class"]

[Text] Strengthening the ranks of party members and cadres hailing from the working class, mostly those holding positions of leadership and management, is not only a pressing problem in perfecting our apparatus in line with the new structure, but also a vital requirement in party building. A principled task based on Marxist-Leninist policies and views on new-style party building, it is aimed at making an important contribution to maintaining the working-class nature and raising the combativeness and vanguardism of the party and giving it a rational social composition.

The effort to train more cadres coming from the working class has gained ground. Each year, an average of nearly 10,000 workers are admitted to the party. These are outstanding laborers, steeled by self-training and challenges in daily life and selected by mass organizations for presentation to the party. At some places, including Quang Nihn, Quang Nam-Da Nang, Hai Phong, Hanoi, the Geology General Department and Ho Chi Minh City, the percentage of worker membership has risen. An increase in the number of workers and party members of working class origin is expected to raise party combativeness and create conditions for training cadres of working class origin.

Nevertheless, some economic sectors and localities have not yet fully grasped party policies and views on cadre training and the importance of bringing more workers into the party, especially into the ranks of leadership. It is worth noting that our echelons still lack short- and long-term programs, mostly those on training cadres of working class origin to fill positions of political leadership and economic management. These shortcomings are the main reason why the effort to induct more cadres of working class origin into the party has slowed up in many sectors and at many levels, even declining in many localities.

In the immediate years ahead our main goal is to strive to achieve a plurality of cadres of working class origin serving as trade union and Youth Union secretaries and as directors and party committee secretaries of enterprises, worksites, state farms and state forests. Party committees as well as trade

union and Youth Union committees at these grassroots installations should see to it that workers directly involved in production are satisfactorily represented at the top level. The campaign to provide elementary and advanced training to cadres of working class origin should be linked to the process of developing that class, of making trade unions and youth and women organizations stable and strong, and of struggling to eliminate the bureaucratic flat-allocation system and to resolutely switch to economic accounting and socialist business. Party committees at provincial, municipal, district and town levels, as well as in enterprises, ministries and general departments, should see the effort to train more cadres of working class origin as the most important one in cadre building. Outstanding workers should be selected for elementary and advanced training and for subsequent admission to the party, paving the way for preparing the ranks of management and leadership cadres at various echelons. They are new socialist men and women driven by political awareness and apt to lead the way, to pull the masses toward enthusiastically laboring and achieving high output, quality and efficiency; to actively struggle against negative manifestations; to eagerly put the new management structure into shape; to exhibit a strong sense of collective mastery and to take part in social activities. These outstanding workers, hardened by self-training and challenges in actual production, exist in very large numbers in production installations being engaged in resolutely switching to economic accounting and socialist business. Training more cadres of working class origin amounts to prompting the working class to translate its commitment to revolutionary activities into achievements in productive labor, thriftiness, study and protection of socialist property. We should appraise overall conditions and review tangible individual potentials of workers in order to bring them into training to become scientific, technical, management and leadership cadres at various levels. But access to the leadership and management program is limited to outstanding workers tempered by self-training and challenges through mass movements, from production units to mass organizations, and exemplarily dedicated to eliminating the bureaucratic flat-allocation system. Echelons and sectors should choose candidates for training from their own personnel. First of all, these aspirants should be replaced with new people, either at once, or in the coming years. In training cadres of working class origin, echelons and sectors should attentively remedy the imbalance between the number of scientific and technical cadres and that of management cadres; between basic training and practice; between short- and long-term demands; between sectors and professions; and between cadres of higher and lower levels. While training cadres, they should simultaneously prepare manpower for party congresses at various levels, ensuring uniformity in organization and continuity in disposition and utilization of cadres, especially those holding leadership and management positions.

The cadre building program should also go hand in hand with an effort to renovate and accelerate training. Localities and sectors should rehabilitate and develop schools and classes of supplementary education in enterprises to the benefit of workers and civil servants, first of all, of eligible workers. The expansion of preparatory classes for undergraduate studies at colleges and advanced schools should primarily attract outstanding workers who have graduated from general middle schools and have been sent out by enterprises for higher education, according to plans. Schools under control of the party

and mass organizations and schools in economic and state management under control of the central government and various sectors should promptly provide selective elementary and advanced training to, or set aside adequate enrollment percentages for outstanding workers. In present circumstances, we should pay attention to methodical training of cadres at regular institutions and through short-term courses and also to domestic, on-the-job and in-school training while creating conditions for sending students to foreign countries to enable cadres of working class origin to achieve undergraduate and graduate education. We should improve college enrollment procedures while renovating and reinforcing policies designed to encourage and stimulate workers selected for further studies.

The movement to eliminate the bureaucratic flat-allocation system and resolutely switch to the new management structure, characterized by economic accounting and socialist business, in line with the resolution of the Eighth Plenum of the VCP Central Committee, offers us a golden opportunity to provide adequate elementary and advanced training to and to utilize cadres of working class origin. It falls to party committee echelons to carry out this task properly, thus making a major contribution to raising our party's combative power and leadership capabilities.

9213

CSO: 4209/9



31 October 1985

PARTY ACTIVITIES AND GOVERNMENT

COUNCIL OF STATE PROMULGATES AMNESTY RESOLUTION

Hanoi NHAN DAN in Vietnamese 1 Sep 85 p 4

[Resolution of the Council of State of the Socialist Republic of Vietnam on National Day Amnesty]

[Text] On the basis of Article 100 of the Constitution of the Socialist Republic of Vietnam,

On the basis of results of the state policy of education and reformation of prisoners,

On the occasion of the 40th anniversary of National Day of 2 September,

Acting on a proposal by the Council of Ministers,

The Council of State of the Socialist Republic of Vietnam hereby resolves:

1. To reduce imprisonment time for and release those having served at least two-fifths of their prison sentences (or at least 12 years in case of life terms) and having properly reformed according to the following conditions:
  - a. Have shown sincere remorse and determination to reform in order to become persons of good standing;
  - b. Have strictly complied with prison camp procedures and regulations;
  - c. Have actively labored, studied and stimulated other inmates to reform and progress.
2. To reduce imprisonment time for those having served at least one-sixth of their prison sentences (or at least 5 years in case of life terms) and having properly reformed according to the above conditions.
3. While considering for amnesty, authorities can exercise flexibility about the length of time served by any of the following categories of prisoners:

- a. Those making achievements in prison camps;
  - b. Those considered for amnesty were formerly wounded or sick soldiers, or those who did meritorious services to the revolution;
  - c. Those whose close kin were war dead or are noted for outstanding achievements in combat and production;
  - d. Those who are old, weak and those who are sick;
  - e. Those having many childred or young childred with nobody caring for them, and whose families are encountering difficulties in daily life.
4. The Council of Ministers, the Supreme People's Court and the Supreme People's Organ of Control are responsible for implementing this resolution.

Hanoi, 29 August 1985  
Council of State  
Socialist Republic of Vietnam  
Chairman  
Truong Chinh

9213  
CSO: 4209/9

AGRICULTURE

PROVINCIAL REGULATIONS ON LAND COMPENSATION PROMULGATED

Ha Nam Ninh HA NAM NINH in Vietnamese 7 Jun 85 p 2

[Article Giving Gist of Temporary Regulations on Compensation for Farmland and Forest Land Used in Capital Construction]

[Text] On 15 May 1985, the provincial People's Committee issued Decision No 367/QD-UB to promulgate temporary regulations on compensation for farmland and forest land used in capital construction. These regulations shall apply to all cases of using farmland and forest land for capital construction and housing development in the Ha Nam Ninh provincial area and will take effect from the signing date. All regulations that were previously enacted by the Ha Nam Ninh Provincial People's Committee and that run contrary to the present regulations are hereby repealed. Following is the gist of the temporary regulations:

I. General Regulations

Article 1--On receiving farmland and forest land, public agencies, enterprises, collectives, social organizations and individuals (hereafter called organizations and citizens) are entitled to assign these lands to capital construction and housing development and, in addition to indemnifying the legally recognized current land user for the loss of property (if any) on the land surface--a loss caused by the use of these lands for capital construction--shall pay land-use compensation to the state budget.

Article 2--The lands used for capital construction mentioned in the present regulations are farmland and forest land used to build industrial, communication, water conservancy, cultural and educational projects, tourist and summer vacation resorts, offices of public agencies, enterprises, villages and cooperatives, and people's houses; these lands also include those destined to meet requirements of national security and defense, of the ceramics and construction materials sectors and so on.

Article 3--The compensation payment rate shall be based on the economic value of the land category used for capital construction and also on the goal for which capital construction works will be used.

Article 4--Each permit to use farmland and forest land for capital construction will require a single payment of compensation. Whenever the right to use land for which the use compensation had been paid is transferred to another person

(authorized by the competent authorities), the successor shall not be required to pay any more compensation. The settlement of compensation between the new and old land user will be a question to be agreed on by both of them but shall not exceed the amount of money paid previously by the old owner.

Article 5--Organizations and citizens to whom the competent authorities grant farmland and forest land for capital construction will be allowed to take possession of these lands only after paying the land-use compensation in full.

Article 6--If, reckoning from the assignment date, the land is not yet used or not fully used within a time limit of 12 months by organizations and 6 months by peasants, it shall be returned to the locality for production if this move proves beneficial to society. Whenever the state takes back the land, the organizations or citizens concerned will be refunded the money they had previously paid as land-use compensation. No refund will be made except in such cases.

Article 7--Ten days at the latest after the land-receiving organization or citizen has paid land-use compensation in full, the local people's committee shall hand over the land to them for use.

Article 8--The land-use compensation already collected for and deposited in the state budget shall be used only to expand farmland and forest land to make up for the farmland and forest land used for capital construction. If no favorable condition exists for farmland and forest land expansion, the compensation money shall be spent on improving land fertility.

## II. Determination of Rate of Compensation for Use of Farmland and Forest Land in Capital Construction

Article 9--The assessment of compensation for farmland and forest land used for capital construction shall be uniformly based on rice output during a period of 4 years, excluding production expenses, and the paddy price will be fixed according to the state purchase price in force at the compensation payment time.

Article 10--For the purpose of calculating compensations, the farmland and forest land in Ha Nam Ninh Province are divided into the following seven rice output categories:

--Category 1: 8 tons per hectare per annum; category 2: 7 tons per hectare per annum; category 3: 6 tons per hectare per annum; category 4: 5 tons per hectare per annum; category 5: 4 tons per hectare per annum; category 6: 3 tons per hectare per annum; and category 7: 2 tons per hectare per annum.

For lands adjacent to cities, towns, district seats, ferry landings and piers, and alongside major routes, compensation will be 30 to 50 percent higher than the output fixed for each of those categories of land.

Article 11--If the use of cemetery land for capital construction involves the cemetery transfer to another place, the organization or citizen using this land shall compensate according to the rate fixed for the category of land where the cemetery is to be transferred.

**Article 12--**The compensation rate will be reduced in the following cases:

- Reduction of 60 percent in compensation for land used for national defense purposes;
- Reduction of 50 percent in compensation for land used in building projects to directly promote agricultural production and forestry;
- Reduction of 40 percent in compensation for land used in building rural communications, social welfare projects, and offices of agricultural and forestry cooperatives;
- Cadres and manual and office workers who are granted houses for dwelling will not have to pay any compensation but those given land for house construction shall pay a sum of money equal to 30 percent of the total compensation; and
- Reduction of 30 percent in the compensation to be paid by organizations using land for a period of less than 5 years and in villages with an average per capita farmland area of 1,500 m<sup>2</sup> and more.

**Article 13--**Cases of exemption of or reduction in compensation for land use which are not mentioned in Article 12 of the present regulations will be jointly discussed by district, municipal and city people's committees in conjunction with the provincial sectors concerned and then submitted to the provincial people's committee for examination and decision.

### **III. Principles on Collection, Management and Use of Compensations for Use of Farmland and Forest Land in Capital Construction**

**Article 14--**When paying compensations for land use, organizations and citizens authorized to use farmland and forest land for capital construction shall produce all documents related to their applications for land grant and bearing the decision of the competent authorities. Land-use permits will be issued only after these organizations and citizens have paid full compensations at the fixed rate.

**Article 15--**The Land Management, Survey and Mapping Commission and the Finance Service shall direct the collection, payment and use of compensations.

**Article 16--**The compensation money will be divided among several budgets as follows: 50 percent to the village budget or that of the corresponding level, 30 percent to the district budget or that of the corresponding level, and 20 percent to the provincial budget.

**Article 17--**The spending of money paid to compensate for the use of farmland and forest land shall be effected in strict accordance with Article 8 of the present regulations; expenses will be made only after an expenditure plan has been drawn up and directly ratified by the high echelon.



#### IV. Rewards and Penalties

Article 18--Localities, organizations and individuals that score numerous achievements in implementing the present regulations will be taken into consideration, congratulated and rewarded according to the state policy and regulations. Collectives and individuals rendering meritorious service by disclosing violations of the present regulations and by notifying the competent agencies will be awarded 5 to 10 percent of the amount of money collected through their discovery; however, the individual and collective reward shall not exceed 1,500 and 3,000 dong, respectively.

Article 19--The organization or individual refusing to pay compensation or failing to pay compensation according to the present regulations will be penalized as follows according to the severity of their infraction:

1. Warning in conjunction with a fine of 500 to 3,000 dong;
2. Land retrieval without refund of the previously paid compensation money;
3. Payment of compensation money 30 to 50 percent higher than the fixed rate without application of the reduction rate; or
4. Cases of serious violation will be dealt with according to the law in force.

#### V. Implementation Provision

Article 20--If, in the course of implementing the present regulations, organizations and citizens find that some clause needs adjustment, they shall directly inform the Land Management, Survey and Mapping Commission or the Finance Service. Both these agencies have the joint duty to recapitulate such proposals and submit them to the provincial people's committee for examination and decision.

9332

CSO: 4209/639

AGRICULTURE

AGRICULTURE MINISTRY, UN GROUPS HONOR FOOD DAY

OW160951 Hanoi VNA in English 0801 GMT 16 Oct 85

[All quotation marks as received]

[Text] Hanoi, 16 Oct (VNA)--A get-together was arranged here yesterday between the Ministry of Agriculture with representatives of United Nations organizations in Hanoi on the 40th anniversary of the United Nations and of the Food and Agriculture Organisations and the fifth anniversary of the World Food Day (Oct 16).

A. Roelkjaer representing UNDP, and representatives of FAO, PAM and UNICEF attended the meeting.

After inviting the guests to visit the pavilion on Vietnam's achievements in food production at the national economic-technical exhibition, Vu Trung Anh, head of the international department of the Ministry of Food, briefed them about the achievements of the food service over the past 40 years. He said: "The Ministry of Food, in its capacity of the agency for unified management of food after harvest, has purchased, preserved, processed of food and organized its distribution to the cities, industrial areas and regions specializing in industrial plants. [sentence as received] Thanks to these efforts and the great assistance of the Soviet Union, other socialist countries, friends and international organizations, no locality in the country has been struck by famine in spite of many decades of war".

"Recently, he added, the World Food Program (PAM) adopted a program to help Vietnam increase its water resources and promote afforestation in central Vietnam in service of food production.

"However, food-sufficiency remains unsteady. The recent storms and rains caused complete submersion of more than 50,000 hectares of ricefields and damaged 300,000 other hectares.

He made know that the Food Ministry is increasing the application of scientific and technical advances in harvesting in order to reduce losses and damage in the transportation, processing and distribution of food. With

assistance and cooperation from UNDP, FAO and UNIDO, the ministry is implementing some technical projects on preserving food after harvest and manufacturing the necessary equipment.

On Oct. 14, representatives of the Vietnam Committee on World Food Day and of the Ministry of Agriculture and Mr K.R. Rao, acting representative of FAO, visited Manh Chu agricultural cooperative in Me Linh District on Vietnam outskirts. They were briefed on the planting of the current winter crops, chiefly potatoes.

Earlier, K.R. Rao and A. Roekjaer visited Vinh Khuc cooperative, My Van District, Hai Hung Province, where they observed results of the methods of preventing and combating crop pest undertaken with the assistance of UNDP and FAO experts.

The guests also called at the FAO and UNDP-equipped plant protection station in My Van District in the Red River Delta.

CSO: 4200/98

JPRS-SEA-85-167  
31 October 1985

**AGRICULTURE**

**BRIEFS**

**NHAN DAN ON AGRICULTURE**--On the World Food Day and the 40th anniversary of the UN Food and Agriculture Organization, the Hanoi paper NHAN DAN on Tuesday [15 October] runs an article written by Tran Quynh, vice chairman of the Council of Ministers, on food production and agriculture in Vietnam. The article says: In the past few years, food production and agriculture have developed in all localities in Vietnam. The most outstanding achievements in the past 4 years, 1981-85, is the increase of annual average food output by 1 million tonnes. However, the paper stresses, food production in general is not stable, and it depends much on nature and is seriously threatened by natural calamities. That is why food and agricultural production in Vietnam remains a heavy task. [Text] [Hanoi International Service in English 1000 GMT 15 Oct 85 BK]

CSO: 4200/98

END

**END OF**

**FICHE**

**DATE FILMED**

**13 DEC 85**





